103

WHITE HOUSE CONFERENCE ON TOURISM

(103–31)

Y 4.P 96/11:103-31

White House Conference on Tourism,...

EARING

THE

SUBCOMMITTEE ON AVIATION

AND THE

SUBCOMMITTEE ON SURFACE TRANSPORTATION

OF THE

COMMITTEE ON

PUBLIC WORKS AND TRANSPORTATION

HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

FIRST SESSION

ON

H. Con. Res. 110

TO EXPRESS THE SENSE OF CONGRESS THAT THE PRESIDENT CONVENE A WHITE HOUSE CONFERENCE ON TOURISM TO RECOGNIZE TRAVEL AND TOURISM IN AMERICA AS A MAJOR ECONOMIC FORCE, PROVIDING TAX REVENUE FOR THOUSANDS OF CITIES, COUNTIES, AND STATES, INCOME FOR HUNDREDS OF THOUSANDS OF BUSINESS FIRMS, AND CONTRIBUTING TO THE NATION'S GROWTH AND ECONOMIC STABILITY

AUGUST 4, 1993

Printed for the use of the Committee on Public Works and Transportation

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103D CONGRESS
1ST SESSION

H. CON. RES. 110

To express the sense of Congress that the President convene a White House Conference on Tourism to recognize travel and tourism in America as a major economic force, providing tax revenue for thousands of cities, counties, and States, income for hundreds of thousands of business firms, and contributing to the Nation's growth and economic stability.

IN THE HOUSE OF REPRESENTATIVES

JUNE 10, 1993

Mr. OBERSTAR (for himself, Mr. ROTH, Mr. CLEMENT, Mr. BACCHUS of Florida, Mr. BILBRAY, Mr. BREWSTER, Mr. DE LUGO, Mr. GEKAS, Mr. KOPETSKI, Mr. RAHALL, Mr. ROMERO-BARCELÓ, Mr. LANCASTER, Mr. RAVENEL, Mr. ZELIFF, Mr. BEVILL, Mr. ABERCROMBIE, and Mr. LAROCCO) submitted the following concurrent resolution; which was referred jointly to the Committees on Public Works and Transportation and Energy and Commerce

---

CONCURRENT RESOLUTION

To express the sense of Congress that the President convene a White House Conference on Tourism to recognize travel and tourism in America as a major economic force, providing tax revenue for thousands of cities, counties, and States, income for hundreds of thousands of business firms, and contributing to the Nation's growth and economic stability.

1 *Resolved by the House of Representatives (the Senate*
2 *concurring),*

1 **SECTION 1. FINDINGS.**

2 Congress makes the following findings:

3 (1) JOB GENERATION.—(A) Travel industry
4 employment has grown by 43 percent in the last 10
5 years representing twice the growth rate for all
6 United States industries.

7 (B) The travel and tourism industry directly
8 employs 6,000,000 people and indirectly creates em-
9 ployment for another 3,000,000 Americans or 1 in
10 every 13 workers.

11 (C) Wage and salary income from tourism was
12 4 times that of the Nation's steel and automobile
13 manufacturing combined in 1991.

14 (2) TRANSPORTATION AND TOURISM
15 INTERDEPENDENCY.—(A) Successful tourism devel-
16 opment requires the linkage of transportation facili-
17 ties with recreational lands, small businesses, and
18 businesses supporting the traveling public, such as
19 intercity bus, rail, and air passenger carriers, cruise
20 ships, dining establishments, hotels, motels, camp-
21 grounds, car rental firms, and other recreation serv-
22 ice providers.

23 (B) For transportation investment initiatives to
24 contribute toward economic development, such initia-
25 tives must be responsive to emerging economic cir-
26 cumstances.

(C) Affordability, flexibility, and convenience make automobile travel the most popular mode of transportation for Americans, accounting for approximately 80 percent of all travel in the United States.

(D) Establishment of appropriate transportation links from each community to the rest of the Nation is a desirable goal.

(E) The recent Federal commitment to scenic byways includes specific enticements to communities which invest in tourism development, successfully linking transportation with historic, scenic, and recreation interests across America.

(F) The airline industry has recorded losses for the past 3 years exceeding $10,000,000,000 resulting in the lay-offs of over 60,000 employees and causing the loss of thousands of other jobs in industries dependent on aviation.

(G) A White House Conference on Tourism could contribute substantially toward a better understanding of the airline industry's problems and could help airlines resume growth through the expansion of tourism.

(3) SCENIC BYWAYS PROGRAM.—(A) The Scenic Byways Program meets many of the needs of

1 recreational and touring Americans, particularly rec-
2 reational drivers, bicyclists, and hikers.
3 (B) The Scenic Byways Program protects the
4 scenic, historic, recreational, cultural, natural and
5 archeological integrity of regional communities, fur-
6 ther enhancing tourism development along these
7 routes.
8 (C) The Scenic Byways Program gives commu-
9 nities the opportunity to invest in economic develop-
10 ment initiatives that promote responsible growth and
11 allow tourists to enjoy both the natural beauty and
12 modern conveniences of travel.
13 (4) NEED FOR LEADERSHIP.—(A) Many com-
14 munities already have the tourism resources with po-
15 tential to improve local economic conditions, but lack
16 the organizational framework to organize, plan, and
17 implement programs to improve local economies.
18 (B) A White House Conference on Tourism
19 would help develop a better informed and active
20 leadership further ensuring the stable and steady
21 growth of tourism.
22 (5) FEDERAL LAND USE AND ECONOMIC DE-
23 VELOPMENT.—(A) The National Park Service, Unit-
24 ed States Forest Service, Bureau of Land Manage-
25 ment, Corps of Engineers, Bureau of Reclamation,

1 United States Fish and Wildlife Service, and Bureau
2 of Indian Affairs maintain more than 626,500,000
3 acres of land, much of which is used for recreational
4 and tourism related activities.
5 (B) 1,259,000,000 visitors spent recreational
6 time on land managed by the Federal Government
7 in 1991.
8 (C) The State park system in the United States
9 recorded 734,000,000 visitors to the more than
10 11,000,000 acres in 4,367 State parks during 1991.
11 (6) SMALL BUSINESS DEVELOPMENT.—(A)
12 Small businesses account for over 90 percent of the
13 travel and tourism industry.
14 (B) The Small Business Administration's 2
15 rural travel and tourism loan programs in 1992 ex-
16 ceeded $500,000,000 in loans to assist hotels, camp-
17 grounds, lodging services, amusement services, tour-
18 ist information bureaus, and transportation services.
19 (C) Tourism represents a unique opportunity
20 for small business development in disadvantaged
21 communities to diversify and improve their economic
22 base.
23 (7) INTERNATIONAL TRADE AND TOURISM.—
24 (A) 42,700,000 foreign visitors spent approximately
25 $48,800,000,000 at United States travel destina-

1 tions in 1991, making tourism America's number 1
2 export and creating a net trade surplus of
3 $16,000,000,000.
4 (B) International tourism, the largest American
5 business, accounts for 11 percent of the total United
6 States export of goods and services.
7 (C) The money expended by international visi-
8 tors in the United States in 1990 directly accounted
9 for 870,000 American jobs.
10 (8) AGRICULTURE AND RURAL ECONOMIC DE-
11 VELOPMENT.—(A) A task force of Federal agencies
12 is coordinating resources of these agencies to help
13 rural communities expand rural development pro-
14 grams through enhanced tourism.
15 (B) The food service industry provides employ-
16 ment for over 9,000,000 people and is a critical link
17 to tourism trade.
18 (C) The American tourist's spending patterns
19 reveal that dining out accounts for 25 cents of every
20 traveler's dollar and nearly ½ of all the sales in
21 America's fine-dining restaurants comes from out-of-
22 town guests.
23 (9) ECO-TOURISM.—(A) The tourism industry
24 has a fundamental obligation to balance environ-
25 mental concerns with the use of natural resources to

1 prevent depletion and degradation of the environ-
2 ment through proper planning and management
3 processes.

4 (B) The President has recommended the cre-
5 ation of new partnerships committed to community
6 service programs to stimulate investment in commu-
7 nities and the rebuilding of our national infrastruc-
8 ture and natural resources.

9 **SEC. 2. SENSE OF CONGRESS.**

10 It is the sense of Congress that (1) the President rec-
11 ognize the influential role rail, bus, air passenger service,
12 highway, and byway investments and other transportation
13 initiatives have in the development of tourism opportuni-
14 ties in the United States by convening a White House
15 Conference on Tourism to address critical issues which
16 highlight the interdependence of transportation and tour-
17 ism, and (2) transportation infrastructure and the Scenic
18 Byways Program are key components of economic develop-
19 ment and should be addressed by the Conference.

○

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MEMORANDUM

TO: Members of the Subcommittees on Aviation and Surface Transportation

FROM: James L. Oberstar; Chairman, Congressional Travel and Tourism Caucus

DATE: August 2, 1993

RE: SUMMARY OF SUBJECT MATTER for Joint Hearing on H.Con. Res. 110, the White House Conference on Tourism, August 4, 1993.

The Subcommittees on Aviation and Surface Transportation will hold a joint hearing on H. Con. Res 110, a non-binding resolution which expresses the sense of Congress that the President should convene a White House Conference on Tourism.

The hearing will examine the importance of tourism to the national economy, the role of transportation infrastructure in developing tourism opportunities, challenges facing the industry, the proper role of the federal government in promoting tourism and the importance of a White House Conference on Tourism.

The following are materials prepared by the staff of the Congressional Travel and Tourism Caucus.

I. BACKGROUND

In 1992, 44.5 million international travelers visited the United States, spending more than $71.5 billion and directly accounting for more than 1 million American jobs. International tourism created a $16.2 billion trade surplus, making tourism the nation's number one export.

Despite these impressive statistics, tourism remains an undervalued resource. The U.S. ranks 20th in the world in the amount of money spent on official programs to attract foreign visitors. In FY 1990, the United States Travel and Tourism Administration (USTTA)

spent $14.3 million on international promotional programs. In contrast, during that same period, the government of Spain spent $256.7 million; France spent $196.1 million; Greece spent $94.1 million; and Australia spent $44.5 million.

The tourism industry has an excellent record of jobs creation. During the past ten years, tourism as an industry has grown at the rate of 43% – twice the rate of any other U.S. industry. In the last five years, travel and tourism expenditures have increased by over 45 percent, and employment has grown 28 percent. Moreover, unlike many industries that must be rebuilt, restructured, or created altogether to be of greater benefit to the U.S. economy, tourism is already positioned to have an immediate impact.

Many of the same values that determine a community's character, its quality of life, and its potential for future growth also determine its potential for tourism promotion. These values include a desire on the part of the community and its leadership to create jobs, preserve local historic sites, enhance its rural areas, address environmental concerns – such as clean air and water – create economic opportunities for women and minorities, and foster the wise use and preservation of natural resources, wetlands, and national parks and forests.

The development of a strong tourism industry in a community can promote these values and aid in the community's future growth and success. Many communities, both rural and urban, already have the necessary tourism resources to improve their economic conditions, but lack the leadership and organizational framework to organize, plan, and implement programs.

Proponents of a White House Conference on Tourism believe that it will help develop an informed, active leadership to ensure the stable and rational growth of the industry. The conference would bring people and ideas together, create a channel of communication linking the tourism community and identify the many ways in which this industry could contribute to the revitalization of the U.S. economy. Most of all, it would help create the needed organizational framework to allow communities to develop their tourism resources.

Attached are a white paper on a proposal for a White House Conference on Tourism prepared earlier this year by the U.S. Congressional Travel and Tourism Caucus; a copy of H.J. Res. 110; and the anticipated witness list for the hearing.

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JACK SCHENDOWF Minority Staff Director

August 2, 1993

MEMORANDUM

TO: Republican Members
Subcommittees on Aviation
and Surface Transportation

FROM: Aviation and Surface Transportation Minority Staffs

SUBJECT: Hearing on H. Con. Res. 110, White House Conference on Tourism

On August 4th at 9:30 A.M. in Room 2167 Rayburn, the Subcommittees on Aviation and Surface Transportation will hold a joint hearing on H.Con. Res.110 , a bill to convene a White House Conference On Travel And Tourism.

H. Con. Res. 110 was introduced on June 10 by Chairman Oberstar and is supported by the House Travel and Tourism Caucus. The bill has been jointly referred to the Committees on Public Works and Transportation and Energy and Commerce. Energy and Commerce has no plans to hold a hearing until after the summer recess.

The Conference seeks to draw attention to the importance of the tourism industry to the economic well-being of the country.

The Importance Of Tourism

Tourism is America's number one export. In 1992 44.5m foreign visitors spent $71.6 billion in the U.S., creating a net trade surplus of $16.2 billion.

Tourism is America's second largest employer, providing jobs for 5.9m people and contributing $344 billion to the nation's economy. Tourism is among the top three employers in 37 of the 50 states, providing a disproportionate number of jobs for hard-to-employ, lower-wage workers who have the highest unemployment rates.

Tourism has an excellent record of creating new employment opportunities. Over the past ten years the industry has grown at the rate of 43% - twice the rate of any other U.S. industry. This growth has the potential to continue, given that only one-half of all Americans take an annual vacation compared to much higher percentages in Western Europe, for example ("Tourism Management" Periodical 1985). The growth in leisure time, discretionary income and education should also further accelerate tourism's role in the economy.

National Tourism Policy

Traditionally, national tourism policies have scarcely been on the public agenda and tourism has suffered from a lack of appreciation as to its significance to the national economy.

The case of the U.S. Travel And Tourism Administration (USTTA) is symptomatic of much of this. Established in 1981 by the National Tourism Policy Act, the Administration sees itself pursuing a partnership role with regional, state and local organizations as well as private sector companies in promoting international tourism to the U.S. Very little national coordination of domestic tourism efforts exists. The recent defeat of an amendment to H.R. 2519, an amendment to restore USTTA funding to $22 million, is characteristic of the problem the Administration has had securing funding and a recognized role.

The tourism industry points to the fact that the U.S. ranks 20th in the world in the amount of money spent on official programs to attract foreign visitors. In F.Y. 1990 the USTTA spent $14.3 million for this purpose. In the same year the Government of Spain spent $256.7 million, France $196.1 million and Greece $94.1 million. Such figures are widely used to press claims for a greater national effort. They must be qualified however.

The vast bulk of U.S. tourism promotion is under the control and direction of the private sector. The U.S. does not have a national airline, Federal railway, regulated bus

service or its own hotels, as many other countries do. Most public sector promotion and tourist development takes place at the state and local levels. In F.Y. 1991, the 50 state travel offices spent $342.7 million on domestic and international programs with individual budgets ranging from Texas's $26.8m down to Delaware's $808,000.

Even though only four of every one hundred tourists in the USA are non-American, per capita they spend six times more and spend three times longer on holiday than the average American. A correlation is also seen to exist between an increase in overseas advertising and an increase in tourism receipts. Canada, 1976-1981 increased its budget by $3.8m and gained an increase in receipts of $643 million, France's $4.7 million increase saw a rise in receipts of $5.1 billion - according to the World Tourism Organization.

Tourism Representation

- As a service industry it does not attract the attention that product-oriented industries enjoy - unlike groceries and cars which are the only two larger industries.
- 99% of the industry are classified as small businesses.
- The nature of the industry is a fragmented one and one that is seen as overwhelmingly domestic in character.

The diverse and fragmented nature of the industry has caused policymakers to underestimate the economic impact of travel and tourism. The proposed conference would seek to develop an active, informed leadership as well as to create a channel for communication.

The last such comparable exercise were Congressional hearings, held by the Senate Commerce, Science, and Transportation Subcommittee on Foreign Commerce and Tourism, in September 1989, to review U.S. national tourism policy. The hearings provided a platform for open discussion on many tourism related topics, including barriers to tourism trade development, visa waivers, travel fraud, and the concept of user-fee funding for USTTA.

It should also be noted, however, that the last national effort to examine tourism issues in any depth, the 1985 Commission on American Outdoors, was characterized by considerable animosity between environmental and business groups.

The bill proposing the Conference is divided into two sections. The first section contains a series of findings that emphasize the importance of, and the issues and needs facing, the tourism industry. The findings address the capacity of tourism for job creation, the interdependency between transportation and tourism, the popularity of automobile travel, concern about the state of the airline industry, the need for leadership, the importance of international visitors, intermodalism and scenic byways. The second section is a sense of Congress that recognizes the critical interdependence of transportation issues and tourism and their importance in economic development. It calls for a conference to address the issues that highlight this interdependence.

The proposed conference seeks to draw attention to the importance of this traditionally undervalued industry and to foster a recognition of its benefits as well as its specific needs and concerns in the hope that this will facilitate its integration into the policy process.

Surface Transportation

The enactment of ISTEA in 1991 was seen by the Tourism industry as a highly significant event, providing opportunities for the industry to participate directly in the formulation of transportation policy. It included several provisions that benefit tourism, such as the National Highway System and transportation enhancement activities. These and other provisions represented a recognition that surface transportation expenditures enhance the growth of tourism and have an impact on the economy extending beyond the movement of goods and people.

The Tourism industry is strongly supportive of the expeditious completion of the National Highway System called for by ISTEA. It will be America's predominant highway network for the next century, accounting for 4% of total road mileage but carrying 40% of total traffic and is the key to a strong tourism industry in the U.S. Recreational driving accounts for 17% of America's road travel. More than 80% of all tourists see our parks and countryside by car, recreational vehicle or bus. The personal automobile and bus remain the dominant means by which people have access to our National Park System.

Proposed Transportation Fuels Tax: A rise in the cost of gasoline that is not dedicated for infrastructure improvement as is currently being discussed in the context of the Budget Reconciliation bill would likely have an adverse affect on tourism. Such a tax will harm the economy, costing jobs, slowing growth and increasing inflation. It would devastate transportation industries and infrastructure. A fuels tax would push up the cost of travel generally, vacations would be more judiciously planned and some foreign vacations or long domestic travel most likely postponed. During the summer months in the mid and late 1970's, when gas was expensive and less available, tourism receipts fell by 10-20%.

Aviation

Tourism officials see the status of the airline industry as crucial to the development of tourism. The industry's current problems are well documented and are the subject of a forthcoming report by the National Commission To Ensure A Strong Competitive Airline Industry.

Passenger Facilitation: This is an issue that has long been a concern of tourism officials since it involves the ease of entry by foreign visitors into the U.S. The problem was the subject of an Aviation Subcommittee hearing in July 1992. Progress has been made and legislation is pending in the House Subcommittee on Immigration. Among other issues, this legislation seeks to clarify the requirement that it should take no more than 45 minutes for a passenger to clear all immigration controls - Customs, Immigration and Naturalization Service (INS) and Animal and Plant Health Inspection Service (APHIS) - not just the INS controls. The tourism industry does recognize that improvements have been made in passenger facilitation. Administrative reforms have been enacted, INS

has introduced an INS Passenger Accelerated Service System (INSPASS) that makes use of biometric technology. Also, the Visa Waiver Pilot Program has been made permanent. Current concern over of the ease of entry by suspected terrorists may, however, impact on such progress.

Airport Congestion: This is an issue at the core of inter-modalism. Increasing congestion at major airports causes very costly delays and is a deterrent to international tourism. The DOT estimate that delays costs U.S. airlines and business at least $5 billion each year in fuel costs and wasted time. There is concern about a looming capacity gap at many airports. According to the most modest predictions, 800 million passengers annually will travel by plane by the year 2000. The U.S. air system is already straining even though the yearly burden is less than 500 million passengers. Current issues include the possible diversion of airport revenue to fund non-airport activities rather than spending to increase capacity, for example.

Cost And Organization

The proposed conference is seen as being conducted under the auspices of the Dept. of Commerce and would require an executive director and support staff. The House Tourism Caucus envisions funding as being provided through a line-item appropriation. Although no budget has been developed, the Caucus looks to the organizational model of the White House conference on Small Business, held under President Reagan, which saw 60 state and regional conferences held across the country, culminating in a national conference. The budget was $5 million.

PREPARED BY: Ben Laidler

WHITE HOUSE CONFERENCE ON TOURISM

WEDNESDAY, AUGUST 4, 1993

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON AVIATION, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, JOINT WITH SUBCOMMITTEE ON SURFACE TRANSPORTATION COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,

Washington, DC.

The subcommittee met, pursuant to call, at 9:45 a.m., in room 2165, Rayburn House Office Building, Hon. James L. Oberstar (chairman of the subcommittee) presiding.

Mr. OBERSTAR. The Subcommittee on Aviation and the Subcommittee on Surface Transportation will come to order in a joint hearing, the first of its nature between our two subcommittees.

First, the Chair apologizes for starting late. The President and the Vice President this morning came to address the Democratic Caucus and the session lasted past 9:30 until just a few moments ago. I beg the indulgence of all our witnesses today.

The reason for this unusual joint hearing is that today we are going to inquire into and take testimony on the economic impact of the $320 billion tourism sector upon our Nation's economy and the significance of convening a White House Conference on Tourism and Travel and the interdependence of tourism, travel, and aviation.

There is indeed a growing realization and appreciation of tourism as an important economic force in our national economy. But few leaders in government fully recognize and appreciate the role that promotion of tourism and development of tourism play in boosting this sector to one of the Nation's largest economic sectors. That is most unfortunate, because tourism frankly is underutilized and underappreciated as a form of economic development.

All too often in the past when economies have failed, whether a major natural resource industry has gone under or major sector has simply declined and moved out of an area, people said, "Well, we can't do anything else, maybe we will try tourism." But in the last 10 years, I think there is a realization that tourism jobs are real. The dollars are real. The employment opportunities are real.

They are stepping stones to other opportunities and that properly nurtured tourism creates a major local economic force and impact and people now are saying, and certainly in the area that I represent, "let's look at tourism not as a replacement for but as something in and of itself that is a positive and strong and vibrant force in our area."

We need to also change the perception among many in government, the false perception, that all we need to do is export American culture and that will promote U.S.—an interest in tourism in the U.S. abroad. Frankly, like any other product, tourism has to be marketed, packaged, developed, and sold to our customers who are the foreign travelers who come to the United States.

We have heard the argument just recently on the House Floor on the debate on the funding of U.S. Travel and Tourism Administration, the tourism administration that this program of advertising and promoting tourism abroad is a subsidy to airlines and hotels. The truth is that tourism, like any other industry, has to be supported, nurtured, and at the very least, acknowledged and encouraged by government if it is to continue to make a productive contribution to the Nation's economy.

But we are not the only ones who sort of take tourism for granted. I cite an example of a year ago this past April, I was in Paris visiting my daughter who was then working in Paris. I took the opportunity to meet with the Director of Civil Aviation of France, because it was just at that time when France was planning to and a few days later did announce rupture of the aviation bilateral between our two countries in a dispute over how many passengers would be permitted in the Atlantic trade between the United States and France.

And I said to the director—and I will say it in English, I won't bother the court reporter with French—have you thought about the losses that will result from this reduction in travelers between France and the United States, that your tourism sector will suffer a $500 million loss from the smaller number of travelers. And he said quite confidently and quite affirmatively, "This is aviation. Tourism does not sit at this table."

Well, we have to make sure that tourism is sitting at the table in all the negotiations and in all the dealings that we undertake in international affairs. In the spring of 1992, the USTTA and the GO*USA launched a $2.6 million television campaign in the United Kingdom. USTTA conducted pre- and post-campaign surveys to determine the success of that campaign. The results: A 37.5 percent increase in travelers planning to visit the United States, the equivalent of 225,000 new travelers.

Even if you assume that only half of those people actually visited the United States, the promotional effort was tremendously successful. The 113,000 additional visitors who did come to the U.S. from the U.K. generated $241 million in new international travel receipts creating 4,800-plus new jobs in the United States, $32 million in new tax revenue, $17 million of which went to the Federal Government. That adds up to a return on investment, return on dollars spent in the United States to dollars spent in advertising this program of 93 to 1.

Now, in this room, where we look at the walls and see all the projects, most of them Corps of Engineers projects where we struggle to get a 1.1 to 1 ratio, that is a whopping return on investment.

Since 1986, the number of international arrivals to the United States has shown an average annual growth rate of 8.4 percent, increasing from 26 million visitors in 1986 to 44.5 million visitors in 1992. During that same period of time, the U.S. balance of pay-

ments in travel jumped from a negative of minus $6.5 billion in 1986 to a surplus of $20.4 billion in 1992.

That created new jobs, new economic impact, and a tremendous benefit to this economy, 424,000 new jobs as a result of spending by international visitors in 1986 and that jumped to 946,000 new jobs in 1992.

I am going to ask unanimous consent to include additional comments on the tremendous impact of—economic impact of tourism in the record in this statement and I want to conclude by saying that I find it disappointing, discouraging, to say the least, that the United States ranks 23rd in the world in the amount of funding for national tourism programs.

Cyprus, Poland, Canada, and Malaysia spend significantly more than the United States to advertise the wonders of this country and attract foreign travelers and their dollars to the United States.

I think that a White House Conference on Tourism would highlight the significance of this economic sector for all Americans, bring home its economic potential for this country, help us to expand and develop that sector of our economy and provide a forum for the diverse businesses that make up tourism in this country to join forces in a positive way in a common effort to set a national agenda for tourism.

[Mr. Oberstar's prepared statement follows:]

STATEMENT OF CONGRESSMAN JAMES L. OBERSTAR

Today, we will examine the economic impact of tourism upon the nation's economy and the necessity of convening a White House Conference on Tourism.

While there is a growing realization that tourism is an important economic force, few government leaders recognize the role that promotion and development play in boosting tourism into one of the nation's largest industries.

It is an unfortunate fact, the tourism is under-utilized as a form of economic development. Many government officials operate under the false perception that exporting American culture is all that is required to promote U.S. tourism abroad. Any efforts beyond that amounts to nothing more than subsidies to the airlines and hotels. The truth is that like any industry, tourism must be supported and nurtured if it is continue to make a productive contribution to the nation's economy.

In the Spring of 1992, USTTA and the GO–USA Coalition launched a $2.6 million television campaign in the United Kingdom. USTTA conducted pre and post campaign surveys to determine the success of the campaign. The results were astounding; a 37.5% increase in those travelers planning to visit the U.S., which is the equivalent of 225,00 converted travelers.

Assuming that only half of these travelers actually visited the U.S., the promotional effort was hugely successful. The 113,000 additional visitors from the U.K. generated $241 million in incremental U.S. international travel receipts, created 4,835 new U.S. jobs, provided $32 million in new tax revenues ($17 million in new federal tax revenues). All of which adds up to a return-on-investment of nearly 93:1. An excellent investment by any standard.

Since 1986 the number of international arrivals to the U.S. has shown an average annual growth rate of 8.4%, increasing from 26 million visitors ton 1986 to 44.5 million in 1992. During this same period the U.S. travel balance jumped from a negative balance of $6.5 billion in 1986 to a surplus of $20.4 billion in 1992.

International travelers generate more than impressive statistics. In 1986, 424,000 new jobs were created as a result of spending by international visitors. In 1992, 946,000 jobs were created. Those jobs provided a payroll income of $4.7 billion in 1986 and $14.5 billion in 1992.

In addition to creating much needed jobs in a stagnant economy, international visitor spending produces significant U.S. tax revenue. In 1986 foreign visitor spending generated $2.4 billion in tax revenue, rising to an estimated $7.2. billion in 1992. Federal taxes accounted for $1.2 billion of those figures in 1986 and $3.7 billion in 1992.

It is short-sighted and unrealistic to expect such phenomenal growth to continue without any support or guidance from the federal government. A White House Conference on Tourism would provide the much-needed road map to continue tourism's drive to success well into the 21st century. It would also send a strong message that tourism deserves to be respected as an economic force.

Currently, the United States ranks 23th in the world on the amount of funding for national tourism programs. Cyprus, Poland, Canada, and Malaysia, to name just a few, all spend significantly more than the U.S.

As the Representative of a largely rural district, I know the contribution that tourism makes to a community cannot be measured solely in economic terms. All too often rural economic development means converting rural communities into small urban communities by recruiting manufacturing plants and strip malls to create jobs. While both are certainly worthy forms of development, the emphasis is on changing the character of the community rather than promoting the qualities that make that community unique.

Tourism recognizes the value of preserving the culture of rural communities. As an economic development tool, tourism encourages communities to market their special attributes while preserving the lifestyle that drew people to the community in the first place. Finally, tourism promotes civic pride by demonstrating the uniqueness and charm of a community and giving the residents a stake in maintaining those special features.

Like the regions and communities it serves, tourism is not a single entity, but a multi-faceted enterprise made up of many different industries. A White House Conference on Tourism would bring these diverse businesses together set to the federal agenda for tourism. Such a conference would make a substantial contribution towards furthering the understanding of tourism's potential, while furthering many of the economic and social goals President Clinton has outlined in his vision of America's future.

Mr. OBERSTAR. The Chair recognizes the gentleman from Pennsylvania, Mr. Clinger.

Mr. CLINGER. Thank you, Mr. Chairman, and thank you for calling this very important hearing.

As you already indicated, tourism is a major industry in this country, second largest U.S. employer. It is our number one U.S. export with 44.5 million visitors last year and a net trade surplus of $16.2 billion. And the growth has been really remarkable, showing a 43 percent increase in the last 10 years, which is twice the rate of any other U.S. industry.

I just want to underscore the importance of the highway network to the overall goal of increasing tourism and the importance of the pending national highway system. More than 80 percent of all park and rural tourism is by car, recreational vehicle, or bus. Recreation driving accounts for more than 70 percent of all road traffic in the United States. So I think we need to highlight the importance of this system to the tourism industry.

It will comprise only 4 percent of the Nation's roads but is going to carry 40 percent of the Nation's traffic and the national highway system is going to carry 80 percent of the Nation's tourism, so it is a vital part of the overall matrix we are talking about here.

Opponents of the highway system who favor Federal spending on transit, in particular urban transit, I think ignore the impact of tourism on the American economy and the necessity of promoting the national highway system.

I would like to also register concern about my opposition to the gas tax being used for purposes other than infrastructure development as is presently contemplated.

So I think the bill is a good bill. It is divided, as you indicated, into two sections containing the findings of Congress, the importance of international trade and tourism, the capacity for job gen-

eration, and the sense of Congress that this conference, a conference be convened to recognize the importance of the industry and to address the critical issues that highlight the independence of transport and tourism.

[Mr. Clinger's prepared statement follows:]

PREPARED STATEMENT OF HON. WILLIAM F. CLINGER, JR.

Mr. Chairman, tourism has become an even more vital part of the American economy. No longer do tourists confine their visits to one of several renowned cities, national parks, or monuments around our nation; over the last several years, entire regions have developed into flourishing tourism markets. The United States continues to offer a wide variety of offerings that few countries in the world can match. And with our efficient transportation network, moving from one area to the other is convenient and cost-effective.

Based on my familiarity with the air carrier industry, I am well aware of the growing importance that discretionary travel, tourism, and international markets have on the industry's profitability. Carriers can be longer afford to simply woo the businessman and fill the remaining seats with vacationers. Sometimes I wonder if the converse isn't true.

I am concerned, however, about the ability of the U.S. to sustain the growth and vitality of the tourism industry. Up to now, it is indisputable that tourism has flourished. The efforts of states, local communities, travel agencies, and the like largely been responsible for this growth. But what bothers me is that our country has thus far failed to develop a national, coordinated program to lure foreign visitors to our shores. And I fear that in an increasingly competitive world, lacking such an initiative and relying instead on a hit or miss approach mounted by local entities, we may well see a tapering-off of new business.

For instance, Asian visitors are a huge source of business to Hawaii and the Southwest, yet enormous development is underway in northeast Australia to attract this same market. The latest generation of long-range aircraft are now able to span virtually one-third of the globe non-stop, making it more convenient and cheaper to fly visitors to new ports to call that, until recently, were considered beyond reach. Lesser developed countries are gearing up to lure even more sophisticated travelers, able to offer very competitive tour packages.

Tourism's importance to our markets cannot be understated. Skilled and unskilled, union and non-union employees are dependent on this industry that has proven to be quite volatile. I am hopeful a White House Conference on Tourism will prove to be a catalyst to help everyone focus on new strategies to sustain and nurture this importance component of our economy.

Thank you, Mr. Chairman.

Mr. CLINGER. And Mr. Chairman, with that, I would ask unanimous consent that a statement by Mr. Petri and a statement by Mr. Zeliff might be included at this point.

Mr. OBERSTAR. Without objection, so ordered.

[Messrs. Petri and Mr. Zeliff's prepared statements follow:]

PREPARED STATEMENT HON. THOMAS E. PETRI

Mr. Chairman, as you have stated, today our subcommittees will examine the importance of the tourism industry and what steps can be taken to increase tourism in the United States.

Coming from the State of Wisconsin, where our many lakes, parks and other natural resources provide nearly endless opportunities for hiking, biking, swimming, camping, boating, fishing and many other recreational activities, I appreciate the important part that tourism plays in our economy. In fact, close to $5.5 billion in tourism revenues is generated in Wisconsin annually; 25 million people travel within our state each year, about 47% arriving from out-of-state and the rest Wisconsinites enjoying their own state.

Obviously, our work here on this Committee contributes to the success of the tourism industry. After all, travellers cannot reach the many tourist destinations around the country without adequate airports, highways and other transportation facilities. ISTEA, the transportation law enacted last Congress, also provides new opportunities to promote tourism, through increased infrastructure funding from the Highway Trust Fund, the establishment of a National Highway System, and the creation of programs such as the transportation enhancement program.

I know this is an issue of great importance to the Chairman of our Aviation Subcommittee, Jim Oberstar, and I commend him for the time and effort he has devoted to this subject.

Thank you, Mr. Chairman.

STATEMENT OF HON. WILLIAM H. ZELIFF, JR.

Mr. Chairman, I want to thank you for calling this hearing today to focus on House Concurrent Resolution 110, legislation which expresses the sense of Congress that the President should convene a White House Conference on Tourism.

As an innkeeper by trade, and one who knows firsthand the business of travel and tourism, I am particularly pleased that we are focusing needed attention on the issue of tourism and its importance to our economy.

Mr. Chairman, I think very few people in this country realize how important tourism is to our economy. International tourism created a $16.2 billion trade surplus last year, making tourism our number one export. 44.5 million international travelers visited the United States in 1992, spending over $71.5 billion and directly supporting over 1 million American jobs.

Tourism accounts for six percent of the nation's GNP, and travel and tourism represents the country's third largest retail industry in terms of business receipts, behind only automotive dealers and food stores. Nearly 6 million Americans were employed directly in the travel industry in 1991, making this the second largest employer in the country. What is particularly noteworthy is the fact that travel industry employment has grown 43% in the past ten years, twice the rate of growth for all US industries. The 2.9 million new jobs created by the industry since 1979 accounted for 15.4% of employment growth nationwide. But these figures don't take into account another 3 million jobs created by travel and tourism indirectly, such as the construction workers hired to renovate or build a hotel or the auto workers who make vehicles purchased by auto rental companies.

Without question, Mr. Chairman, the importance of tourism to our economy and the ability of this industry to generate job growth strongly merits a White House conference focusing on ways to expand this important industry. I salute the distinguished Chairman of the Aviation Subcommittee, Jim Oberstar, who also serves as the Chairman of the Congressional Travel and Tourism Caucus, for his leadership in introducing H. Con. Res 110 and promoting travel and tourism.

We haven't fully realized the enormous economic potential of the travel and tourism in this country. A White House conference, focusing on the critical issues which affect the tourism and transportation industries in this country, will help us to realize this potential.

Mr. OBERSTAR. I appreciate the gentleman's comments. And the Chair recognizes the cochairman of this joint subcommittee hearing, the gentleman from West Virginia, Chairman Rahall of the Surface Transportation Subcommittee.

Mr. RAHALL. Thank you very much, Mr. Chairman.

I indeed commend you for calling this joint hearing of our two subcommittees on such an important issue as we have today. I want to commend Chairman Oberstar as well for his leadership on the tourism caucus. He has dedicated a great deal of his time and effort to this caucus, and his work and that of the caucus staff is to be highly commended by all of us.

I know we have a fine panel of distinguished colleagues here. Many of them, as well as Vice Chairman Toby Roth, are very active in the tourism caucus and I am going to keep my opening remarks brief and ask unanimous consent that the full statement be inserted in the record.

Mr. Chairman you have indeed described the effect of tourism very well as has Ranking Minority Member Mr. Clinger. I often refer to the need in this country to foster what I describe as a tourism infrastructure in this country.

Just as we have a public works infrastructure of which this committee is vitally involved in order to deliver our drinking water and

other services and a transportation infrastructure in order to travel across the countryside, tourism infrastructure investments encourage private sector initiative in order to provide support services to attract and maintain a far-reaching tourism trade.

So in part, our tourism infrastructure is fiscal in nature. It can be anything from a national park unit, to a recreational lake, to a preserved set of historical buildings. And with any other type of infrastructure, unless suitable resources are dedicated toward their maintenance and improvements, it will crumble. In my view, it is in that area that funding has been woefully inadequate.

Mr. Chairman, I do commend you once again for calling this hearing today and commend you in the resolution that is called for in the White House Conference on Tourism because, in my view, that would help emphasize the importance of the infrastructure improvements to our tourism.

So I do ask unanimous consent that the remainder of my statement be made part of the record.

Mr. OBERSTAR. Without objection, so ordered.

[Mr. Rahall's prepared statement follows:]

PREPARED STATEMENT OF CHAIRMAN NICK J. RAHALL II

The Subcommittee on Surface Transportation is meeting today with the Aviation Subcommittee to conduct a hearing on a concurrent resolution relating to the role of transportation initiatives in the development of enhanced tourism opportunities.

The White House conference on Tourism called for by this resolution would, in my view, help emphasize the importance of infrastructure improvements to tourism.

In effect, the need to foster what I refer to as a 'tourism infrastructure' in this country. Just as we must have a public works infrastructure in order to deliver drinking water and other services, and a transportation infrastructure in order to travel across the countryside, tourism infrastructure investments encourage subsequent private sector initiative to provide support services to attract and maintain a flourishing tourism trade.

In part, this tourism infrastructure is physical in nature, and can be anything from a national park unit, to recreational lake, to a preserved set of historical buildings.

And as with any other type of infrastructure, unless suitable resources are dedicated toward maintenance and improvements, it will crumble. In my view, it is in this area that funding has been woefully inadequate.

With the Intermodal Surface Transportation Efficiency Act of 1991, however, the first attempts are being made to dovetail investments in the transportation and tourism sectors.

For example, the ISTEA transportation enhancements program can be used for the acquisition of scenic easements or historic sites, historic preservation and archaeological planning and research.

Meanwhile, under the Scenic Byways program an effort is being made to assist the States in upgrading or increasing the number of scenic byways.

So I would commend the gentleman from Minnesota, Jim Oberstar, for his leadership in these issues, and I look forward to hearing from today's witnesses.

Mr. OBERSTAR. The Chair will observe we have a large number of witnesses today and we hope to conduct this hearing in the nature of a hearing, more listening than talking by Members.

And because of the vote in progress, I would like to ask Members to suspend reading their statements and I would like to place in the record the statements of Mr. Costello of Illinois and Mr. Coppersmith of Arizona.

[Messrs. Costello and Coppersmith's prepared statements follow:]

PREPARED STATEMENT OF CONGRESSMAN JERRY F. COSTELLO

Chairman Oberstar and Chairman Rahall, I want to thank you for calling today's hearing to discuss H.Con.Res. 110, the resolution which expresses the sense of Congress that the President should convene a White House Conference on tourism. At today's hearing we will discuss the importance of tourism to our nation's economy and learn about the proposal to convene a White House Conference on Tourism.

As a member of the Congressional Travel and Tourism Caucus, I strongly believe that tourism can and does greatly contribute to our nation's economy. This industry has enormous potential to create jobs as it grows. In fact, in the last ten years, the tourism industry has grown at twice the rate of any other U.S. industry.

A number of communities in my Congressional District in Southwestern and Southern Illinois are currently exploring their options for developing a strong tourism industry. For example, the Mississippi River Parkway Commission which was established to encourage tourism along the Mississippi River. Mr. Greg Pruitt, the Kentucky Representative on the Board of Directors of this commission will testify today about the role of transportation infrastructure in developing tourism opportunities along the Mississippi River.

I look forward to hearing Mr. Pruitt's statement as well as the statements of the other witnesses who testify today in support of the White House Conference on Tourism.

PREPARED STATEMENT OF HON. SAM COPPERSMITH

Mr. Chairman, Mr. Chairman, fellow Members, distinguished guests, I would like to join in support of a White House Conference on Tourism. As a representative from Arizona, I know well the importance of tourism as a driving force in our economy. A debate exists over whether tourism is Arizona's largest or second-largest industry, but there is no doubt that tourism is vital to my state. In 1992, 24.6 million people visited Arizona, spending $7.2 billion in the process and contributing to the employment of over a quarter of a million people. One out of every six jobs in Arizona is related to tourism.

The figures, as you all know, are no less impressive on the national scale. The domestic tourism industry generates tens of billions of dollars and millions of jobs nationwide, despite the recent global economic slowdown and a relative paucity of funding for overseas advertising. These facts lead us to ask, "How much better would business be if. . .?"

I believe part of the answer to that question lies in the proposed White House Conference on Tourism. The extensive findings in H.Con.Res 110 deserve careful and thorough consideration by a non-partisan panel interested in promoting not any one state or region, but an agenda that will benefit the entire nation. As the second largest employer in the country, tourism must play a key role in our economic recovery.

I would like to see the White House Conference on Tourism become a reality and produce a cohesive, substantive, and exciting program to assist the tourism industry and our economy.

Mr. OBERSTAR. Let's proceed immediately to our witnesses and begin with the vice chairman of the Travel and Tourism Caucus, the gentleman from Wisconsin, Congressman Toby Roth.

TESTIMONY OF HON. TOBY ROTH, A REPRESENTATIVE IN CONGRESS FROM WISCONSIN; HON. BOB CLEMENT, A REPRESENTATIVE IN CONGRESS FROM TENNESSEE; HON. LARRY LaROCCO, A REPRESENTATIVE IN CONGRESS FROM IDAHO; HON. NEIL ABERCROMBIE, A REPRESENTATIVE IN CONGRESS FROM HAWAII; AND HON. DONALD M. PAYNE, A REPRESENTATIVE IN CONGRESS FROM NEW JERSEY

Mr. ROTH. I thank you very much, Mr. Chairman and Members of the committee. I am delighted to be here with the distinguished panel that we have of Members.

Today we focus on an issue of major significance to our Nation's economy and I want to associate myself with the remarks made by

the chairman of our Travel and Tourism Caucus, Congressman Oberstar.

All of us are aware that travel and tourism is the number one export in America. It is a prime source of our economic health and the source of good-paying jobs for our Nation. That is one of the main reasons that I have been a Member of the Travel and Tourism Caucus from its inception.

That is also why I join Chairman Oberstar in calling for the creation of a White House Conference on Tourism. It will be greatly beneficial to our Nation's tourist industry and all that flows from that particular goal. One might ask the question: "Why do we need a conference on tourism?"

America already attracts millions of visitors each year to places like Disney World, Las Vegas, and Honolulu. However, the tourist potential of much of our Nation lies untapped. Rural America could be a powerful magnet to international visitors. Yet this magnet has not been given the full power needed to attract new guests. National statistics indicate that close to 87 percent of today's travelers want to get off the main interstates and travel the scenic highways and byways of the United States.

Today's tourists are interested in taking the road less traveled, yet often rural destinations are not well known, lacking the natural exposure of America's big cities and resorts. A White House Conference on Tourism would provide rural communities with a forum to let the world know about its attractions. Tourists everywhere could be enticed by America's unspoiled wilderness with its opportunities for hiking, hunting, boating, and other adventures.

What does increased tourism in rural America mean? At a time when many of our small towns are under economic pressure and declining, tourism has the potential to create jobs and bright futures for smalltown America. Until the 1980s, unemployment rates were consistently higher in urban areas than in rural areas. However, that is not the case today. With fewer than 19 percent of rural Americans earning their living from the land, we must look at other sources of economic growth in rural communities and surrounding regions.

I speak from experience. Tourism accounts for 65 percent of all employment within the northern section of my district. In other words, tourism equals jobs. It is time to tell visitors to America to try the road less traveled and visit the heartland of America. That is why I am excited about a White House Conference on Tourism.

I have seen what a White House Conference on Small Business has done and if it does the same for tourism, this could be a real boon and blessing for tourism. By allowing rural tourism services and grant programs to participate, it will provide the focus needed so that rural tourism is recognized as a major economic force.

One such program authorized under the Tourism Policy and Export Promotion Act of 1982 is a National Rural Tourism Development Foundation. I have been a supporter of this foundation since its inception. The foundation is charged with planning, developing, and implementing projects aimed at attracting foreign visitors to rural America.

Foundations like this are available to rural communities and operate as nonprofit organizations with no Federal funding. A White

House Conference could bring these services to the attention of rural areas in search of new sources of development. Tourism is our number one export. In the United States, it is the number one industry in 13 States and the number two industry in 16 States. Yet the United States has not fully taken advantage of the potential benefits: Jobs and economic growth which tourism can bring to our Nation.

We need to have the same level of commitment to promoting tourism as other nations. A concerted national effort to promote tourism is long overdue. I therefore urge the creation of the White House Conference on Tourism as a bold step in the right direction, and I also want to commend this committee and especially you, Mr. Chairman, for the initiatives that you have taken and thank these other four wonderful colleagues we have who have given so much attention to tourism for being here this morning to thank you.

Mr. OBERSTAR. Toby, thank you very much for your strong support and your active participation in the reinvigoration of the Travel and Tourism Caucus.

Mr. OBERSTAR. The secretary-treasurer of the Travel and Tourism Caucus, the gentleman from Tennessee, Mr. Clement.

Mr. CLEMENT. Thank you, Mr. Chairman.

It is indeed a great pleasure to testify on what is undoubtedly one of the most significant factors influencing the health of our Nation's economy. I would however be neglectful if I did not comment about you, Mr. Chairman, by your untiring effort to travel and tourism and the time and attention that you have given this issue.

As secretary-treasurer of the Congressional Travel and Tourism Caucus, it has been my good fortune to work very closely with Chairman Oberstar as our caucus chairman and other officers and other members of the Tourism Caucus and witness firsthand Chairman Oberstar's commitment to these issues.

Even before I came to Congress in 1988, I knew the importance of tourism in my own home State of Tennessee. While serving on the Tennessee Valley Authority during President Jimmy Carter's administration, I worked with the TVA and white water rapid supporters to ensure that the Ocoee River would not be completely dried up due to the building of a new dam. This cooperation between government, nature, ecotourism allowed the white water enthusiasts to utilize an excellent natural resource while promoting the rural economy surrounding the river in Polk County, Tennessee.

You will later hear testimony from Mr. Bill Endicott, former Olympic coach at the United States white water canoe and kayak team who will explain to you the effect that decision has had on Polk County as it has been chosen as the site for the 1996 Summer Olympic canoe and kayak games.

Mr. Chairman, Polk County is a microexample of the effect that tourism plays on our national economy. As communities compete for fewer and fewer Federal and State dollars to improve their economies, they must turn toward alternative means of raising revenue. This, in my opinion, is the very heart of House Concurrent Resolution 110.

By calling for a White House Conference on Tourism, we are asking the Clinton administration to better equip our Nation's commu-

nities with the empowerment tools necessary to improve their local economies. This conference will assuredly produce a more formal and proactive leadership in the tourism industry and further enhance its growth and development.

I believe we have, what, five minutes remaining? Do you want me to continue or break for a moment? I don't have too much left, but——

Mr. OBERSTAR. We are down to three minutes remaining on this vote, and I think we can make it there easily and return quickly. The subcommittee will stand in recess.

Mr. CLEMENT. All right.

[Recess.]

Mr. OBERSTAR. The subcommittee will resume its sitting. The gentleman from Tennessee had a good point in his presentation. We ask the gentleman to resume.

Mr. CLEMENT. I would like to take this opportunity to encourage my colleagues and the House of Representatives to endorse the administration's Goals 2000 Educate America Program. I bring this to your attention in this forum for a specific reason.

Under the Goals 2000 plan, the establishment of a national skills standards board would take place. This board would serve as a catalyst in the development and approval of voluntary national skill standards for our Nation's educational curriculum that will further enhance work force skills.

This greatly affects tourism because the creation of these national skill standards will ensure the development of a high-skilled, high-performance and high-quality work force that has a more comprehensive understanding of the linkages between all components of the work force investment strategy.

These strategies, according to a recent report by the House Committee on Education and Labor include school to work transitions, secondary and post secondary vocational education, and job training programs. In 1991, the travel and tourism sector of our Nation's economy employed one out of every thirteen Americans representing our Nation's second largest employer behind health services.

That is why coordinated national skills curriculum will not only benefit the industry, but also benefit every American providing them with the skills necessary to pursue their dreams.

Mr. Chairman, I have no doubts that this resolution will be eagerly received by the Clinton administration. I have certainly enjoyed working with you, Chairman Rahall, Representative Roth, Representative Abercrombie, Representative LaRocco and the many other Members of the Congressional Travel and Tourism Caucus who have been so dedicated to this cause.

Tourism offers many unique opportunities for communities ranging from economically disadvantaged rural areas to ethnic areas to booming urban centers. That is why I feel this conference is so critical to the health of the American economy and should be enthusiastically received by all Members of the House of Representatives.

Mr. OBERSTAR. I thank the gentleman for that very strong and forceful statement and informative statement.

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And at this time the Chair will recognize the gentleman from Idaho, Mr. LaRocco.

Mr. LaRocco. Thank you very much, Mr. Chairman.

It is indeed a pleasure to be with you today and to support House Concurrent Resolution 110 calling for a White House Conference on tourism.

I come before you as a Member of the Congressional Travel and Tourism Caucus Steering Committee, as Chairman of the Caucus Study Group on Natural Resources and Recreation, and as the representative for one of the most scenic and resource rich districts in the House of Representatives. I thank you for this opportunity to be here.

Travel and recreational tourism represent Idaho's third largest industry. In Idaho and many western States, travel and tourism are among the most prosperous segments of the economy, charting unprecedented growth over the last few years. Because we offer first class, year-round recreational opportunities ranging from white water rafting and snow skiing for the adventure traveler, to world renowned resorts and cultural attractions for the more traditional vacationer, Idaho's diversity ranks it among the most desired tourist destinations.

Mr. Chairman, Members of the committee, I am not here simply to tell you what a scenic, wonderful and inviting State Idaho is but rather to lend my support to this legislation urging President Clinton to convene a White House Conference on tourism. Clearly the continued growth of the tourism industry coincides with the President's agenda for the economic renewal of our country.

We see numerous signs of progress towards economic diversification in States such as Idaho where travel and recreational tourism lead directly to rural development, small business growth and much needed investment in infrastructure.

One project currently under way in my district is a perfect example of this phenomenon. In parts of north Idaho's Silver Valley mining region, declining demand for silver has pushed unemployment as high as 25 percent. And as you well know, Mr. Chairman, many people working in extractive or resource-based industries such as mining, logging and ranching consider tourism a dirty word. They equate it with unskilled, low-wage, service-oriented jobs.

However, a cooperative effort between the Forest Service, the Department of Agriculture, the Chamber of Commerce and local recreationists is beginning to help change these misconceptions. Currently these agencies are working toward the preservation and development of a historic 45 mile long recreation trail along the abandoned Old Milwaukee Railroad Grade. These trails connect a series of trestles and tunnels, some more than a mile long, to form a one-of-a-kind resource for mountain bikers, hikers, horseback riders geologists and historians alike.

Keeping these trails and tunnels open will bring more visitors to the Silver Valley and Idaho in general. It gives a boost to an area in need of economic diversification and it serves as a catalyst for the revitalization of one of Idaho's most historic and culturally rich communities.

These and other Idaho projects, some already completed, some in more formative stages, reveal the possibility for local communities

to maximize their travel and tourism potential. Indeed, many communities already have the resources and abilities to improve their economic conditions, but lack the leadership and organization to formulate plans and implement programs to improve the economic health of their area.

This problem is compounded by redundancy and/or a lack of cooperation among many of the Federal agencies responsible for promoting travel and tourism nationwide. Because the Forest Service, the Park service, the BLM, the Department of Agriculture Extension Service, the USTTA, the Department of Commerce, the Department of Transportation and countless other agencies each operate their tourism bureaus independently of one another, there is no common script, no road map to set our national tourism agenda.

A White House Conference on Tourism will help solve this problem by developing an informed active leadership to ensure the stability and continued growth of this industry. It will help address many of the issues important to rural States like Idaho, as we find the best ways to manage economic diversification which coincides with tourism promotion and it will help jump start the American economy.

At his forest summit in Portland, Oregon, President Clinton spoke eloquently of the changes that lie ahead for the Northwest timber community. In that address he explained how change was inevitable and that rather than trying to resist it, we should instead learn how we can best manage change for the betterment of all parties involved.

I would argue that the same message holds true for the travel and tourism industry. Mr. Chairman, change is coming. The tourism industry is growing by leaps and bounds and we now find ourselves at crossroads, ready to make some important and often difficult decisions affecting the future of this important sector of our economy.

House Concurrent Resolution 110 is proof of that point and a sign that progress is being made. I genuinely believe that convening a White House Conference on Tourism would greatly benefit both the private sector and the Federal Government, and I urge the swift passage of this important legislation. I would also add my personal thanks to this panel, to our colleagues, and to you, Mr. Chairman, for your leadership in this area.

Thank you very much.

Mr. OBERSTAR. Thank for your testimony, your kind words, but also for your role in helping the family tourism caucus move an agenda for tourism in America ahead and for the insights you have offered, the contribution you have made to our overall work.

Thank you.

Mr. LAROCCO. Thank you, Mr. Chairman.

Mr. OBERSTAR. Now the Chair of our Task Force on Taxes of the Travel and Tourism Caucus, evangelist for travel and tourism, gentleman from Hawaii, Mr. Abercrombie.

Mr. ABERCROMBIE. Mr. Chairman, thank you very much.

I think I would be doing a lot better on taxes if I was an evangelist because tourism is taking it on the chin on taxes.

As your task force Chairman on Taxes and Regulation, I would like to voice my very strong support for the proposed White House

Conference on Tourism. Mr. Chairman, it is indeed ironic that we are having this hearing today, a sad irony, I might say, because we are now faced, imminently faced with voting on a so-called reconciliation bill on the budget which is as anti-tourism, anti-travel, anti-entertainment a bill as has ever been put forward before the Congress of the United States.

As a Member of the Travel and Tourism Caucus and Representative of a State whose primary industry is tourism, I fully understand the need to call attention to the significant impact of tourism in our country's economy.

You mentioned that you were at a meeting in which the unfortunate statement was made that tourism does not sit at this table, more than unfortunate, a short-sighted vision.

I am sorry to say, and regret to submit as part of my testimony today that tourism does not sit at the reconciliation bill table either. And therefore I cannot think of a more important resolution than Resolution 110. I cannot think of a time more pertinent for passage of such a resolution so that we can educate the administration and other Members of the Congress and the public as a whole as to the importance of tourism.

I think, Mr. Chairman, that it is taken for granted. You and others have already stated the impact of international visitors on our economy, the positive impact. In my home State, the tourism industry feeds the overwhelming majority of workers and their families and has generated over $10 billion in economic activity in 1990 alone. Think of that, $10 billion.

Nationally tourism is the second largest employer and the third largest retail industry in the country, Mr. Chairman, and despite our efforts to this point, we have not been able to get that message through. There is a false impression of American tourism. We find ourselves under attack, treated as if we were in the same category as those who lead a more privileged existence.

Tourism is a first source of employment for many people. Minorities and women in particular find their opportunities in tourism, travel and entertainment. In order to maximize the true potential of the tourism industry, it is imperative, Mr. Chairman, that we have a meeting of the minds, that we create the context and circumstances for such a meeting of minds.

A White House Conference on Tourism would be more than just an important step towards better understanding and coordination of travel and tourism efforts. It is fundamental and essential. If we are to move forward, and I would state further, if we are to keep from sliding backward, if we are to become competitive, let alone remain competitive in the global tourism market, the government and industry must come together to resolve the industry's problems and to formulate the vision of which I spoke for the future of tourism in this country, and I dare say in this world.

It is my hope and as well as my conviction that you will favorably consider the proposal before you and I can assure you, Mr. Chairman, of my complete support. The task force—the individuals on the Task Force on Taxes and regulation of the tourism and travel caucus will be fully supportive.

Given the attack that has taken place on us recently, it is just fundamental, it is elemental, that this conference on tourism move

forward and that we, in the time between this hearing, the passage of your resolution and the formulation and implementation of the conference, that your voice, our voice, the voice of those who know travel, tourism and entertainment, is an absolute essential in the economic prosperity of this country.

Add our voices and make sure that everyone understands that not only will we be heard, but we will succeed on behalf of all the working men and women in this country who sustain our industry.

Thank you very much, Mr. Chairman.

[Mr. Abercrombie's prepared statement follows:]

TESTIMONY OF CONGRESSMAN NEIL ABERCROMBIE

I would like to voice my strong support for the proposed White House Conference on Tourism. As a member of the Travel and Tourism Caucus and Representative of a State whose primary industry is tourism, I fully understand the need to call attention to the significant impact of Tourism on our country's economy.

This year alone, 46.5 million international visitors are expected to spend over $74 billion in our economy. In my home state of Hawaii, the tourism industry feeds over 227,000 workers and their families and generated over 10 billion dollars in economic activity in 1990 alone. Nationally, tourism is the second largest employer and is the third largest retail industry in the country.

In order to maximize the true potential of the tourism industry, it is imperative that a "meeting of the minds" take place. A White House Conference on Tourism would be an important step towards better understanding and coordination of travel and tourism efforts.

If we are to move forward and remain competitive in the global tourism market, government and industry must come together to resolve the industry's problems and formulate a vision for the future of tourism in this country.

It is my hope that you favorably consider the proposal before you and I look forward to working towards this effort.

Mr. OBERSTAR. Thank you, Mr. Abercrombie. I just want to again express my appreciation of the Travel and Tourism Caucus for the enormous effort you put forth with total dedication, total conviction. The cause is right and on the matter of the business meal deduction, it was solely due to our effort that it was on the agenda, that it remained in the conference until the waning hours, and only because of the pressures that were brought in other areas that caused a reduction in the overall revenues from other sources was it put back into the mix.

But it was due to your effort that tourism and the tourism dependent economies of this country had a place at the reconciliation table that they never otherwise would have had. Although the result was not what we had hoped for, no one can gainsay your enormous, zealous and vigorous participation and effort right up until the very last.

Mr. ABERCROMBIE. You are very kind, Mr. Chairman. I take it that the results would simply be then a spur to renewed commitment in this area. Thank you very much.

Mr. OBERSTAR. No question about it.

We are very appreciative of our colleague from New Jersey who is a Member of the Travel and Tourism Caucus, requested to testify before the committee this morning and we look forward to a very thoughtful presentation.

Our colleague, Mr. Payne, I have observed him in the Foreign Affairs Committee, it has been my pleasure to serve this year, and is thoughtful, judicious and studious. The comments have been a

delight and a inspiration and we are glad to have your participation with the hearing on the travel and tourism.

Mr. PAYNE. Thank you very much, Mr. Chairman, and let me first say that I would like to associate myself with the remarks that you made at the opening and also that of Mr. Rahall, and secondly, for the opportunity to testify here this morning.

It has been a pleasure working with you in the past on the various issues that have come before the Public Works Committee, which as you know, was formerly headed by my good friend—whose portrait is up there to the left, Mr. Bob Roe, as he is listening, I think to, what I am saying. You know, Bob always wanted to be sure that New Jersey was researched right, and so, Bob, I am trying to do that for you. He is not gone. He is just away now. Let's make that clear.

Mr. OBERSTAR. Add to this our other colleague, former Chairman Jim Howard, who is sitting there judiciously watching over us. We have been surrounded by New Jersey in this committee for a long time.

Mr. PAYNE. And we appreciate what they have done for our great State.

As a Representative of an urban district of New Jersey and as a Member of the Congressional Travel and Tourism Caucus, I am pleased that you have convened this hearing today to focus on the important link between tourism and economic growth.

I especially appreciate the fact that one of the panels will focus on urban revitalization. Tourism officials from Newark, New Jersey and Hudson County, New Jersey, both in my congressional district, will testify and I hope that I will have an opportunity to introduce them and hear their testimony later.

I believe that our Nation's cities, which are so rich in history and so much an important part of the American experience, are vitally important to the success of our overall tourism efforts. It was in our cities that the American dream was born.

It was there that we found the diverse ethnic neighborhoods, the magnificent churches and cathedrals, the factories where American workers toiled and Americans worked to earn a worldwide reputation for productivity.

I am proud of the history of my home city of Newark, settled in 1666, which makes it the third oldest city in the United States of America.

By the eve of the Civil War, Newark had become the American south's leading supplier of manufactured goods which were always labeled made in Newark, New Jersey. Hudson County, Jersey City, a portion of which is located in my congressional district, developed an industrial economy as a result of its strategic location to New York City and the ports and major railroad systems in that area.

We have some exciting revitalization and renewal programs and tourism promotion efforts under way in our State of New Jersey. Through the formation of public/private partnerships, we are working on a number of economic development initiatives, including the construction of a world class performing arts center which will be the home of the New Jersey Symphony. Our New Jersey tourism representatives will talk about some of these innovations a little bit later.

I think it is important though that we draw people back to our cities, which reflect our past and hold the key to our future. I believe that America's success is tied to the success of urban centers.

I want to mention also that the aviation industry represents a vital component of economic growth, both to urban New Jersey and our neighbors in New York.

The three important airports in our region, Newark International, John F. Kennedy International and LaGuardia generate $22 billion in economic activity, representing over 230,000 jobs in our area and $7 billion in wages. Tourism generates a significant amount of this economic activity.

However, the future of these airports is threatened by increasing regional roadway congestion, resulting in inadequate access for many airports and passengers coming to the airports.

Unfortunately, we lose potential tourists to the region because of the lack of dependability and the high cost of access to these airports. The Port Authority of New York and New Jersey is proposing significant airport access improvements to all three of these airports to be funded through the passenger facility charge program.

I commend you for your work in support of the passenger facility charge as a local funding source for needed airport improvements.

And I hope that they could keep the frequent flyer passengers in paying the airport—the passenger facility charge, which is I understand 18 to 20 percent of the flights that are taken.

I look forward to working with you as we pursue further airport access improvements which are so vital to the future of our region.

Let me just say that as a cosponsor of House Con.Res. 110, I believe that a White House Conference on Tourism would be an ideal forum to bring people together from around the country in a united effort to address the many issues surrounding tourism and economic revitalization.

I look forward to working with my colleagues to achieve this goal. And once again, Chairman Oberstar and Chairman Rahall, I appreciate the opportunity to comment this morning.

Thank you.

Mr. OBERSTAR. I thank the gentleman for that very enlightening statement, especially for the history lesson. I did not know those facts about Newark and I greatly appreciate your recitation of the origins of and the important contribution of Newark.

It is very fascinating to me.

Mr. PAYNE. Thank you.

Mr. OBERSTAR. The Chair will recognize the gentleman from California, Mr. Kim.

Mr. KIM. Thank you, Mr. Chairman.

I would like to express my agreement with the distinguished gentleman from Hawaii that this reconciliation package that is going to be acted upon in the next two days certainly has a strong anti-tourism element.

I do know that a lot of business people—I was a business person myself, like to take a look at historical sites while travelling. Decreasing to 50 percent the deductions certainly will discourage all the business meals and lodging. That is going to hurt the hotel businesses, and the restaurant businesses.

I have never seen such an anti-tourism package in my life. I think we should strongly oppose the reconciliation package tomorrow.

I understand that in 1992, 45 million international travelers came to the United States spending more than $72 billion dollars and creating 1 million jobs in America. And, international tourism created a $16 billion trade surplus, making tourism the Nation's number one export. California, which I represent, has a tremendous tourist industry. It is important business to us.

I hope this White House Conference on Tourism addresses the crime issue facing many international tourists. It is a fear of crime in America. I would like to suggest that a certain budget has to be set aside for better police protection for those high crime areas and in the most populated areas. I would like to see more walking police protection, and also a greater penalty for those criminals who commit a crime against tourists. It is a national disgrace.

I would like to ask my fellow Committee Members and other Members of this House, as well as White House Conference, coming up, to address this issue. It is an important issue in my opinion.

Thank you, Mr. Chairman.

Mr. OBERSTAR. Thank the gentleman for raising that very, very important aspect of tourism, making a safe and secure environment in which to visit the United States.

The gentleman from Virginia, gentleman from Ohio.

Mr. APPLEGATE. Thank you very much, Mr. Chairman.

And thanks to our Members in absentia here who did make some very fine points. In answer to our colleagues who seem to feel that the reconciliation package will have hurt travel and tourism, that is a pretty good speech at the wrong time, but I don't think that is necessarily going to be true.

You mentioned about the deductibility of meals and hotels and stuff. If we are looking for international travel, I don't know that if you are Japanese or German or an Italian or Greek or Swede, you are going to be able to deduct—use those for deductibles in the first place.

I am not sure where the package is really going to hurt travel and tourism. I think if people want to visit America and see what is here from outside of the confines of the boundaries of this great land, they are going to come. They are going to come because they want to see what is in this great land, and so I don't think that the package is going to hurt travel and tourism.

Travel and tourism is the biggest and fastest growing industry in the world today. It probably ranks only second to agriculture in the size of the industry itself. I can tell you that back in my Ohio senate days, I chaired a subcommittee to travel around the State of Ohio to find out how we can get people to visit Ohio and see all the wonderful things that we have out there.

And I found out it was very difficult. At that time, it was considered to be a $2 billion business. Believe it or not, in Ohio, we had more—or we were second in the number of total tourists, just next to Florida. People say, well, why this, why Ohio?

Well, it is simply because if you are going to go from Chicago to New York, unless you are flying, you have got to go through Ohio, and we weren't talking about people trying to get them to spend

a week or two there on the great beaches of Lake Erie, but just to stop and spend an extra day and what it would mean.

But at that time there was 123,000 full and part-time jobs. In 1980, that had doubled. In 1986 it had increased again and by 1992 it is now a $9 billion industry in the State of Ohio and still second to agriculture and employs some 324,000 full-time and part-time jobs.

And what we see in Ohio, as I think that we should be able to see in the United States of America, a tremendous increase in the amount of travel and tourism. I think the 1990's is going to bring people from all over the world in record numbers, but in order for this country to be able to promote that as well as it should be, it cannot continue to be fragmented as it is right now.

It has to be brought under one umbrella and I think that is why it is important that we convene a White House Conference on Tourism, bring all this together, bring them out from all these little individual umbrellas and put them under this one big one and set up an agency and fund it properly, and I guarantee you that money is going to come back a thousand fold, and I think that this is a wonderful opportunity for this country, and I want to commend our Chairman, Jim Oberstar, as well as our co-chairman, in this case, Rahall, for bringing this about and having this hearing today. Extremely important.

I notice on H. Con. Res. 110 that I am not a cosponsor, for whatever reason, and I would ask unanimous consent that my name be placed on there as a cosponsor of this wonderful measure.

Mr. OBERSTAR. The Chair will see to it the gentleman's prestigious name is added to the list.

Mr. APPLEGATE. Thank you.

Mr. OBERSTAR. Thank you very much for your support.

The Chair will now yield the gavel to the co-chair of this hearing, Mr. Rahall.

Mr. RAHALL [presiding]. Thank you, Mr. Chairman.

We will now proceed to panel number two whose topic is the importance of tourism. The individuals composing this panel whom I would ask to come forward at this point are Mr. Daryl Hartley–Leonard, President of Hyatt Hotels, Mr. Jack Ruttger, owner, Ruttger's Bay Lake Lodge and Chairman of the Congressional Travel and Tourism Caucus Advisory Board, and Ms. Sandra Ford Fulton, the Commissioner, Tennessee Department of Tourism Development.

The chair will recognize the gentleman from Minnesota for the purposes of introducing a member of this panel.

Mr. OBERSTAR. I thank the gentleman and I just want to take this opportunity to welcome to the committee hearing my good friend and constituent from north central Minnesota, Mr. Jack Ruttger who serves as—also as chairman of the Travel and Tourism Caucus Advisory Board.

He has been very willing to give up precious little free time he has from managing a resort and keeping a family business operating to come and help us map out national policies and plans on tourism, and, Mr. Chairman, Mr. Ruttger is second generation in tourism. His children form the third generation, and Ruttger is a

name that is so respected and known and admired in northern Minnesota.

Jack Ruttger, thank you very much for your leadership in tourism and for the high standards you have set for tourism in northern Minnesota and for your contribution nationally.

Thank you, Mr. Chairman.

Mr. RAHALL. I apologize for reading the inaccurate spelling of your name, Mr. Ruttger, and do recognize the panel and you may proceed in whichever order you desire.

TESTIMONY OF DARYL HARTLEY-LEONARD, PRESIDENT, HYATT HOTEL CORP. AND CHAIRMAN, TRAVEL AND TOURISM GOVERNMENT AFFAIRS COUNCIL; JACK RUTTGER, OWNER, RUTTGER BAY LAKE LODGE AND CHAIRMAN, CONGRESSIONAL TRAVEL AND TOURISM CAUCUS ADVISORY BOARD; AND SANDRA FORD FULTON, COMMISSIONER, DEPARTMENT OF TOURIST DEVELOPMENT, STATE OF TENNESSEE

Mr. RUTTGER. Thank you. They have spelled the name of the university wrong too. I want you to know it has one T instead of two, so that is a common error. The Ruttinger's, that is the first time I have seen that though in my life, so that is a new one.

Congressman I thank you for this opportunity and I am so pleased to have a Congressman from my district that is so interested in tourism, considering how strong mining and timber has been in your district and my district, so I commend you and I thank you very much.

As chairman of the Advisory Committee to the Congressional Tourism Caucus, I would like to tell you that we too naturally have supported your call for a White House Conference on Tourism. So I thank you so much.

I am the owner of a medium-sized Minnesota resort on a lake in Congressman Oberstar's district. I was born and raised on the resort property, as was my father. Tourism has been our living for 96 years as a Ruttger family.

In the beginning, people came by train, then by buckboard to the lake where grandma fed them hardy meals. The food and fishing were so good that they slept on the bank of the lake, in the hay and then in tents.

From that very primitive, innocent beginning, we have grown to our present size. We accommodate up to 375 people full service now.

I know that the environment is a concern to the President. Let me assure you that it is a concern to us too. From the beginning, the environment has been an asset to us. We are an environmentally concerned industry. We constantly work for clean lakes and pristine forests.

There are strong lake associations in Minnesota working for clean lakes. Ours is the Bay Lake Improvement Association. Our State resort association meets with the timber industry to work together to preserve our forests as best we can.

It is common for resorts to showcase their natural setting. We offer nature hikes to highlight the hundreds of varieties of wildflowers and to point out other natural wonders. We have bird

watching tours where at least 100 species of birds can be seen on our 400 acre resort property. We have a slide show on the loon after which we take a tour of the lake to see the loons.

In early summer you can see a mother with two baby loons riding on her back, and we also go to take a look at an eagle's nest on the island in front of the resort. A good clean environment means a lot to us, our industry, we are very protective of it.

Tourism is one of the top three industries in Minnesota, as it is in most all of the other 49 States. Where timber, agriculture and mining are static in our State, tourism shows the most promise for growth. Those involved in the business work hard to ensure that this potential is fulfilled.

Our State Department of Tourism does what it can to promote tourism with a limited budget of about $6 million annually. Government officials in our State and people in general don't look upon our industry as legitimate. We are not, in their eyes, a major economic force.

Yet, as an industry, we are the second largest employer in Minnesota, second to health care.

I have lived that scenario all of my life. When I was growing up in the resort business, I remember my father printing across the face of the resort checks: These are tourist dollars. He was a true pioneer in the industry. He wanted the grocer, the lumber yard, the clothier, the utilities and anyone else he bought from to recognize the great value of tourism.

He wanted them to know that tourist dollars paid for those items. Here we are a generation later and there are still too many that don't know where the dollars come from.

Today the world is just hours away. People are capitalizing on the convenience and spending more and more of their income on travel. Travel is our Nation's number one export. It brought in $64.2 billion in 1991 with a USTTA budget of under $20 million.

We are the Nation's second largest employer with a payroll of $91 billion. Yet, the U.S. ranks, you say, 23rd. I read it as 20th. 23rd in the world on money spent to attract foreign visitors. Clearly there is not a good understanding of the travel business by the right people.

The White House Conference will help correct many of these misconceptions about tourism.

I know in Minnesota we are constantly trying to educate our public officials on the merits of our industry. We teach them that $1 invested for tourism development returns $2 to $3 to the State in taxes.

After serving on the Advisory Committee of the Tourism Caucus for four years, I have learned that Congress is no further along than Minnesota. The fact is our little State has a budget of $6 million annually to spend on tourism marketing, while Congress appropriates only three times as much for tourism promotion for the entire country.

Why the reluctance to increase USTTA's budget when it returns itself each year several times over? USTTA's budget is an investment. The return is a sure thing.

In the summertime in a little village close to our resort, the out of town, out of State cars roll in. The merchants and the people em-

ployed by them and the town residents think that this phenomenon just happens. Some of that traffic is natural, people heading north.

However, much of it is from the traditional efforts of people like us and a good deal of it is from the efforts of our State tourism department. The point is, it took tremendous effort to generate this interest in visiting Minnesota. We want more people to share in that effort.

The understanding of tourism travel is in its infancy. The opportunity to expand this understanding is truly here. A White House Conference on Tourism will provide the opportunity to educate government officials and other leaders about the value of travel and tourism to the Nation's economy.

A traveler's money is good money, new money to a community, be it a traveler from Iowa to Minnesota or Germany to Wisconsin. It is new money to circulate in the community, new money that creates employment and taxes for the State.

The White House Conference on Tourism would provide a much needed forum for focusing attention on travel and tourism's importance as an economic generator. It will address the problems and challenges facing the industry and it will lead to a better understanding of tourism.

And I thank you, Mr. Chairman.

Mr. RAHALL. Ms. Fulton, would you like to go next?

Ms. FULTON. Thank you very much. I would like to begin by commending you, Mr. Chairman, for your leadership and vision on behalf of the tourism industry all these years and certainly also to commend Representative Rahall and Roth and my Congressman, Bob Clement, all for their untiring work to support tourism and also to bring this legislation to fruition.

You have heard a great deal of eloquent testimony already this morning. I am sure some of it will be repetitive, but it is obvious that it needs to be repeated over and over again until we accomplish our goals and our goals are all the same, and that is to benefit the economy of the United States of America.

I would like to share with you the perspective of tourism's enormous contributions to State and local economies across this country, and as our focus today is on the legislation at hand, I would like to say also that it has been my privilege to serve on the board of directors and the executive committee for the Travel Industry Association of America, as well as the board of directors and executive committee for the National Council of State Travel Directors. Both of these organizations wholeheartedly support this legislation.

The impact that tourism can have on the economy is very, very clear and it is certainly clear in Tennessee. In 1992, travelers in Tennessee spent $6.5 billion dollars. The economic impact that has had on our State has resulted in 129,000 jobs for Tennesseeans with a payroll of over $2 billion. And we have netted $488 million in State and local tax from those expenditures.

It is the second largest employer in our State, as it is in this country. We have nearly 6 million Americans employed directly in the tourism industry, as well as those 5 million who are employed indirectly. These jobs range from high-level corporate executives to seniors and students.

These are highly educated people with degrees from Harvard and Yale and Vanderbilt University all the way down to those jobs that are taken by the ones who choose to live in their own home towns and perhaps work at the local fish camp or the marina, and everything in between.

The jobs cut across the field of the American way of life.

Although tourism is vitally important to Tennessee, our experience is not terribly unique. As you have already heard this morning, travel and tourism is the second—first, second or third largest employer in 80 percent of our States, and it benefits localities tremendously and that is well documented.

The U.S. Travel Data Center has studied two-thirds of the counties in this Nation since 1978 and of those 1,900 counties that the travel data center has studied, only three of them have shown no measurable economic contribution from tourism. Few industries can boast of such universal economic benefits.

Of course you will be bombarded today by statistics that represent this tremendous economic impact of tourism, but I would like to share quickly with you again the U.S. Travel Data Service statistics that show us for every 100 visitors who visit a typical American city, that city will realize $1.5 million in retail and service industry sales. We will benefit by $332,000 in wages, and create 29 travel industry jobs as well as the $116,000 in State and local tax revenue that will be derived from those 100 visitors a day to an average American city.

Of course when the direct and induced impact of that is added, you can double those figures.

State governments have traditionally been quick to recognize tourism's development potential. Since 1983, the States have doubled their tourism promotion and development budgets to nearly $350 million. The average State spends about $6 million on tourism development.

State and local governments also have become increasingly supportive of tourism because they know that it is a reliable source of employment opportunities. It produces substantial State and local tax revenue and it stimulates other types of economic development.

On a national basis, the State tax receipts total $12 billion and local tax receipts nearly $7 billion from tourism. It is very understandable when you realize that travel spending in the United States averages $1 billion a day.

The American people want to travel. They expect to have the ability to travel freely across this country and international travelers more and more have the desire and the ability to travel to the United States, and of course they spend more when they travel than Americans do.

So that is certainly to our advantage, but the economic impact of those expenditures extends far beyond the traditional business elements, such as airlines and hotels and travel agencies, into the critical industries also of telecommunications, financial services and construction even.

In Nashville, Tennessee recently, Gaylord Entertainment, the parent company of Opryland U.S.A., has announced a $200 million capital investment plan to increase properties in the City of Nashville for Opryland. You can imagine that the economic benefits to

the entire city from that will be enormous, not only in construction jobs, but in jobs in those facilities after they are built, and also it has stimulated—it will stimulate much more downtown revitalization in the area where some of these facilities will be constructed.

A similar project has developed in the last couple of years in Chattanooga, Tennessee which I would like to point out simply because the economic impact is absolutely enormous. The Tennessee Aquarium opened in May of 1992 in Chattanooga, and it was constructed mostly with private sector contributions, $45 million, a small State contribution and a small local government contribution for infrastructure, but they expected 650,000 visitors the first year. They had 1.5 million.

They have wonderful programs for educating the school children, but in the first two quarters they were open, they generated $45 million in expenditures, which is exactly what the facility cost. So the revitalization that is involved in downtown Chattanooga, because of that development, also is enormous. These are very clear pictures of how tourism development investment can benefit the entire area.

I would like to refer to the small business. We know that half the people in this country are employed in small businesses, and of course 90 percent of tourism businesses are small businesses. In Tennessee we have initiated a community development program within my department this year to offer technical assistance to communities to help them organize and promote their own programs, and also our Tennessee governor, Ned McWherter, has had a massive road building program in the six and a half years he has been in office, and that has provided travelers with greater access to our cities and towns, but it also has opened our rural areas for all types of other development.

These initiatives are making our communities more visitor friendly, and as we develop and refine our travel products, we stimulate entrepreneurship, which is what America is all about. We nourish livable towns and cities and with the appropriate planning which will be encouraged by this White House Conference on Tourism, we can strengthen our ability to preserve and protect our current cultural heritage and our environment.

On a national level, on a Federal level, there are a number of agencies who have become involved in the tourism activities, such as the Department of Agriculture and the Forest Service and the Corps of Engineers and the Bureau of Land Management and many others.

We can benefit from these at the State level, all these efforts, but only if there is a framework to coordinate those programs.

The woefully underfunded USTTA is a vital link for the States to the international marketplace, and this legislation recently has redirected some of their activities, but has not funded them.

We must bring all these programs into focus and this legislation and the White House Conference can do that.

It is my belief that the travel and tourism industry in this country is a powerful economic force. We have all benefited from it for many years, but it has never been adequately valued.

Chairman Oberstar, a White House Conference on Tourism will help develop an informed and active leadership and bring together

people and ideas to create a channel of communication linking the tourism communities. Most of all, the conference will develop the needed framework and it will empower our communities to develop their own resources to the economic benefits of the United States.

Thank you, very much.

Mr. RAHALL. Thank you, Ms. Fulton.

Mr. Hartley-Leonard.

Mr. HARTLEY-LEONARD. Mr. Chairman, thank you for inviting me to be with you today. I am Darryl Hartley-Leonard. I am the President of Hyatt Hotels Corporation. I am active with the American Hotel and Motel Association and currently serve as chairman of the Travel and Tourism Government Affairs Council and as chairman of the Department of Commerce's Travel and Tourism Advisory Board.

My positions with the Travel and Tourism Advisory Board and the Government Affairs Council are what bring me here today. The TTAB advises Commerce Secretary Brown on key issues affecting the travel industry, where those of us on the TTAB make our living. The GAC is a coalition representing a broad spectrum of this industry, including lodging, car rental companies, cruise lines, airlines, travel agents, tour operators and State tourism offices.

Mr. Chairman, I appear before you with somewhat of a heavy heart today. For while you, Mr. Chairman, and Members of your committee truly have shown by your actions an understanding of the impact tourism has on the economy of the United States, the probable action of Congress in the next 48 hours is living proof that the majority of your peers are unaware of the impact that their probable actions will have on the jobs of so many of their constituents.

And therefore it is with that in mind that I appear before you today to request—no, to appeal that there be convened a White House Conference on Tourism which I believe truly could become the catalyst for the education of Congress and the American people on how vital travel and tourism is to the present and future well-being of our wonderful country.

Earlier this year, the Travel and Tourism Advisory Board met in Hawaii to discuss the health of the travel and tourism industry there. And the travel and tourism industry in Hawaii is in grave distress. We conducted a forum on how to enhance the image of this industry and what would best benefit travel and tourism in that State.

After a full day of testimony by representatives of all segments of the industry, I, and the board, are now more convinced than ever of the vital necessity for a White House Conference on similar issues nationwide.

Truly everyone in this room knows what travel and tourism means. It is what brings us together today. You have heard, perhaps this will be redundant, that it is an industry that provides our economy with 5.9 million jobs, $91.2 billion in wages and salaries, $380 billion in sales and $47 billion in tax revenues, even without the additional taxes being proposed.

Last year, travel and tourism was once again the Nation's leading export. It generated $71.2 billion in expenditures from inter-

national visitors and, a rarity in our country these days, a trade surplus of $20.4 billion.

Travel and tourism means money for our Nation, more importantly it means jobs for our people, and a better understanding of the United States by people who visit from all over the world.

But unfortunately, in this country, travel and tourism has a perception problem. Many people across our country are unfamiliar with the benefits we bring. Far too many people consider us a fluff industry. And how can we expect them not to when our business is so often depicted in the media by an overweight, middle-aged, camera carrying man in ugly shorts, black socks and an even uglier shirt whom we laugh at and still refer to as the tacky tourist.

Ladies and gentlemen, I am here testifying before you today because we must attempt to put an end to this type of misconception. We must begin to appreciate travel and tourism as one of the most potent industries in the United States, one of the industries with the greatest potential for growth and creating new jobs.

We must begin to appreciate travel and tourism as a first-class product guaranteed to put money in the bank because when we do, we will begin to treat travel and tourism as a first-class industry and we will reap even richer economic benefits from increased tourism spending.

So how do we enhance the awareness of the travel and tourism industry? A good question and one I thank the committee for beginning to address.

A White House Conference on Tourism is a tremendous step in the right direction for our industry to gain the recognition and understanding it needs to provide an even greater economic benefit to our country than it does today.

I commend the subcommittee for conducting these hearings. The Public Works Committee is once again demonstrating leadership and farsightedness as it did when Congress laid the foundation of the interstate highway system during the 1950s.

Not only did interstate commerce flourish, but so did travel and tourism. Hotels, motels, restaurants, and other industries sprang up virtually overnight.

Congress again provided a leadership role during the 1970s by convening the National Tourism Resources Review Commission. Recommended by Senator Inoyue, this two-year study of travel and tourism's needs and its available resources provided a tremendous boost to this industry.

Since its implementation, and with the coordinated efforts of the private and public sectors, travel and tourism has grown, as commented before, dramatically. From a then $140 billion industry to now a $380 billion industry, far outpacing the average for all other industries.

The report of the commission provided a guide for that growth.

But now it is time for another focus on the travel and tourism industry and I call on Congress and the administration to work together to continue their leadership role. The Members of this committee can and should help guide the development of the necessary road map for the Nation's travel and tourism industry on into the 21st Century.

A new initiative under the leadership of Congress and the administration would bring together a wide range of people with an interest in the continued growth of the travel and tourism industry. Our Nation's mayors, governors, private sector leaders and others certainly would jump on the bandwagon to support continued economic growth of the travel and tourism industry and the ongoing creation of jobs for all Americans.

I would recommend that a conference take the form of regional and local sessions, culminating in a national, high-level conference in Washington. This format would allow for maximum publicity and attention around the country. Millions would become aware of travel and tourism as an industry and begin to appreciate the economic contributions that it makes to their respective communities.

Many would realize the economic benefits of developing tourism programs of their own. At the very least, we would gain an expanded environment of hospitality towards international visitors, which would lead to increased tourism receipts.

On what issues should the conference focus in order to produce these positive results? Well, today you will hear about many different issues facing the travel and tourism industry and it is certainly important for this committee to give full consideration to each.

However, there are several critical issues that I believe a White House Conference must address if it is to truly make an impact on the future of our industry. They are, first, the health of the airline industry, which I know is close to your heart, Mr. Chairman. Two, the need for more government funds to sufficiently promote the United States travel product around the world and make this country competitive with other country's travel and promotion efforts.

Three, the need to boost investment in our national transportation infrastructure which, as the Committee on Public works and Transportation has shown that it knows so well is absolutely vital, not only to tourism, but to the entire economy. Four, the stifling effect of rising taxes on the traveling public and the travel industry as a whole, including, of course, any further reductions in the deductibility of travel and entertainment expenses as a legitimate business expense. Surely no one in this room is not painfully aware of the devastating impact these new taxes are going to have on the jobs of so many Americans. Many of whom, because of their educational limitations, are largely unemployable and therefore soon to become dependent on the State's welfare systems in order to survive.

And five, improving passenger facilitation, an issue about which I feel particularly strong.

Our government is currently enforcing strong anti-terrorist laws and the travel and tourism industry applauds every effort taken to keep our borders secure and safe. We support the implementation of existing technology by the Immigration and Naturalization Service and the Customs Bureau to prevent illegal entries before they even arrive in this country.

But at the same time, we must also make it easier for honest international visitors to get into the United States and I might add, to begin spending their money, and I might add, leaving it here. Necessary steps include reducing the paperwork involved in getting

a visa, expansion of the visa waiver program and the implementation of new technology to reduce the time it takes for legal entry. These steps would go a long way in encouraging our international visitors to return again and again and again.

In summation, Mr. Chairman, and Members of the committee, we are at a critical time in the travel and tourism industry. Our industry is barely beginning to recover from the effects of the recession and the Gulf War and soon the world spotlight will focus on the United States as the Olympics and the World Cup come to our country.

With your support and continued guidance, the travel and tourism industry can maximize the opportunity before us. I urge you to continue this work. It is important to our industry, more important, it is important to our economy and to our country.

Thank you and I appreciate having the opportunity to be with you today.

Mr. RAHALL. I thank each of you for your splendid testimony this morning. I thought the facts and figures presented were done in an excellent manner and I think it was a diverse presentation, quite frankly. We had you, Mr. Ruttger, speaking from the small businessman's angle and you, Ms. Fulton, from a commissioner of a State Tourism Development Office and you, Mr. Hartley–Leonard, from perhaps a more global perspective.

We also heard some criticism from this panel, criticism of actions that the Congress may take within the next 48 hours. Certainly I don't believe any of us on this panel or on this side of the podium either will say that this is a perfect document. There is criticism that all of us can level at certain parts of what Congress is about to enact by this week's end.

I think it is important to realize not only that the alternatives may be much worse and that change may be good for the economy and for tourism, but it is important to realize just as well that this is not going to be the final action that Congress takes this year, although some might like to see us disband after we pass this budget.

Nevertheless, I think it is important that we realize that there are other actions that Congress is going to have to take this year in this session in Congress as follow-up and this is not necessarily going to be the doomsday that those opponents to the plan may predict.

So I would hope also that we keep in mind our common goal, especially of this panel and of today's—all of today's witnesses and that is tourism, the need to recognize the jobs it provides, the need to recognize the small business sector that is so vitally involved in this important industry. And if we don't lose sight of that common goal, then I think we can have maybe our disagreements within ourselves and still keep sight of that goal.

The Chair recognizes the gentleman from Minnesota, Mr. Oberstar.

Mr. OBERSTAR. I, too, want to join my colleague in thanking our witnesses this morning for very important insights into tourism as a vital part of our national economy, and I expect and hope we will be hearing more and different aspects from our witnesses whose testimony will follow this.

The question I wanted to ask Mr. Hartley–Leonard on passenger facilitation, and that is a subject that is a sorry point with domestic airlines. What comments do you have about the types of actions that should be taken by the Immigration and Naturalization Service and U.S. Customs Service that can make it easier for passengers to get into this country.

Other countries have done that. Other countries recognize the importance of facilitating the movement of passengers through those two important checkpoints. What are your observations?

Mr. HARTLEY-LEONARD. It seems, Mr. Chairman, that we take one step forward and two steps back with regards to these issues. Over the past couple of years, I would applaud the efforts on the part of the Immigration and Naturalization Service to train the employees that they have in various international ports of entry with regard at least to welcoming in a more friendly manner people in our country. At least we have moved past the stage where we have signs referring to these people coming as aliens.

But as an international traveler, which you obviously are by your opening comments, it never ceases to amaze me how easily I can get into most countries in Europe, walking into England or France or Germany for example, with little or no problems. We embarked on a pre-inspection system in London and yet I came back from London three weeks ago and such a system has been abandoned. There is no pre-clearance in England at this time.

Then we embarked on the "blue line" system. I lived in Chicago. But all of a sudden, Chicago is no longer on the list of those cities for which international passengers are pre-cleared and can go through the blue line. So even those of us that live in the United States and travel on business frequently are back to the long lines.

A lot of cities have done a lot in regard to this. But we need to open up more ports of entry. I mentioned Hawaii. Truly Hawaii is heading to further economic difficulties with tourism and yet we try to funnel everybody into Hawaii through one island, through the main island of Hawaii and urge Customs and Immigration to open more facilities.

I think there is a lot that can be done in these areas, and you see other countries really progressively working towards encouraging easier, more efficient international travel. And I think it is, again, an ignorance, if I might take one second, on our part as to what that person walking through that door is. Everybody coming through the door, 99.9 percent, are good people who want to come here spend money, leave it, and then they have the luxury that they leave again and go home.

If we could get just that mentality accepted, as opposed to the bunker mentality, perhaps we could go a long way.

Mr. RAHALL. The gentleman from Georgia, Mr. Collins.

Mr. COLLINS of Georgia. Thank you, Mr. Chairman. I have enjoyed listening to the witnesses here and, Mr. Chairman, I would like unanimous consent to enter into the record a statement from the Henry County, Georgia, Chamber of Commerce resolution or a statement from them supporting House Congressional Resolution 110.

Mr. RAHALL. Without objection, it will be made part of the record.

[The statement referred to by Representative Collins follows:]

STATEMENT OF HENRY COUNTY, GEORGIA, CHAMBER OF COMMERCE TO THE HOUSE AVIATION SUBCOMMITTEE IN SUPPORT OF H. CON. RES. 110

As the contracted agent to promote and develop tourism in Henry County, Georgia, the Henry County Chamber of Commerce witnesses each day the impact tourism has on the American economy.

Twenty miles south of Atlanta on Interstate 75, America's most-travelled interstate highway, Henry County welcomes thousands of motorists each day on their way to or from vacation in Florida. We also offer accommodations for hundreds more Atlanta visitors who do not want to stay overnight in the downtown area.

Home to Atlanta Motor Speedway, Henry County welcomes an additional 300,000 people each year who attend one of the two NASCAR races at the Speedway. We are also a host site for an LPGA golf tournament.

While we currently enjoy a healthy tourism market, we have the prospect of increasing this market ten-fold. As one of the two sites being considered as the home of Gone With the Wind Country, a $100 million themed resort, Henry County could welcome an additional million annual visitors to our community.

Having worked one full year in the effort to secure the Gone With The Wind attraction, we have seen first-hand the complexity of the tourism industry and the problems that must be overcome to spur on new tourism developments.

For these reasons, we strongly support the call for a White House Conference on Tourism. We feel that such a national dialogue is needed to discuss the issues relative to tourism promotion and development and to develop a national strategy to address these issues.

Furthermore, we feel that such a Conference will make it evident that federal funding of tourism promotion and development is a wise investment of taxpayer funds and that these investments pay off in rich dividends.

The Conference will also demonstrate that a high-level Administration coordinator is needed to lead the implementation of a national tourism promotion and development strategy.

Tourism-related issues rest within the combined purview of the Interior Department, State Department, Transportation Department, Commerce Department, Agriculture Department, and the Treasury Department. Therefore, White House coordination is needed to insure that the implementation of a national plan is not reduced to a series of interdepartmental turf wars.

As a grassroots organization working with tourism on a daily basis, we stand in support of H. Con. Res. 110, and encourage the respected members of the House Aviation Subcommittee to vote in favor of this resolution.

Mr. COLLINS of Georgia. I would like to say I found the comments very interesting from the panel and Mr. Leonard, your list of problems were very good. Number 4 was taped and will be played on the Nightly News and followed with H. Ross Perot and see if he needs a few ideas.

You mentioned some problems there. Any other Member of the panel, do you know of any other problems or larger problems other than what Mr. Leonard mentioned that are facing the industry and just exactly what you would like to see come out of the tourism conference?

Ms. FULTON. Mr. Hartley-Leonard so eloquently stated the main issues that face the tourism industry as a whole on a nationwide basis today. I think in our individual States, we perhaps face some different situations, but those have been mentioned as well.

The lack of understanding of the industry and its economic impact is major. The continuing perception that the travel industry is all fun and games and to no avail is one we fight constantly to overcome. When we reflect on what would happen in each of our cities and towns if suddenly people didn't come to visit, the results could be disastrous for all of us. And I think we don't realize that, so it is a constant struggle for us to deliver the message that the

economic impact of travel on this country and on our cities and States reaches far beyond what is normally thought of.

So we do commend all the comments that have been made here today and hope that what really comes of this meeting is tourism is realized as a serious business.

We think that the White House Conference on Tourism as proposed by this legislation would be a wonderful opportunity for industry people and those who are affiliated with us to meet around the country to discuss it, to have open lines of communication, to come back with a plan that delivers a single message for this country and for the travel industry and its benefits to this country.

Mr. RAHALL. Mr. Ruttger.

Mr. RUTTGER. I would like to see our industry looked upon as being legitimate. It never has been looked upon that way and today it still is not.

A second issue for me is the gaming industry which has gained such a foot hold in Minnesota. There are something like 18 casinos, Indian casinos in Minnesota and it does have our industry quite upset. I can see the good side of it. I see the Indians in our area living a lot better than they have ever lived before. They are living with pride.

But I see the resort industry in our State really taking a hit, and as they start to develop resorts, hotels, golf courses, and they start to lure those people with lower rates, I can see a real problem with the general industry.

In the Midwest now, we have suffered a lot from the weather, as you are perhaps familiar. The Mississippi River starts in Minnesota and goes all the way down, and it has caused a lot of problems and a lot of rain. A number of people in our industry in Minnesota have been hit hard by the climate, both by the rain and by the market area that has been hit so hard by that flooding.

Are there funds available to help keep these available? There are funds available to the farmers when they have problems. There are funds available for others, but are there funds available for the tourism industry as a whole? That is something that I think should be addressed.

We think that we are a major industry and I would like Congress to think we are a major industry so when we do have problems, we can come to them and we do get some recognition.

So I think this conference could help us in that way.

Mr. COLLINS of Georgia. Very good.

Mr. Ruttger, in your paper you mentioned here that government officials in our State, and people in general, don't look upon our industry as legitimate. And then on the following page, you mentioned that you are constantly trying to educate our public officials on the merits of our industry.

A word of suggestion, and it is just an opinion which everyone has one, government officials normally will follow the general public's opinion. And I would suggest maybe you try to educate the general public and then your officials most of the time will follow their wishes. Not always.

Mr. RUTTGER. But generally, yes.

Mr. COLLINS of Georgia. Generally.

Mr. RUTTGER. I think that is true. The people don't recognize us as a legitimate industry and it does follow from the people, no question. I think this conference would help that.

Mr. COLLINS of Georgia. The conference would help to educate the general public by drawing attention to the tourism industry. Good comment.

Thank you, Mr. Chairman.

Mr. RAHALL. The gentleman from New Jersey, Mr. Menendez?

Mr. MENENDEZ. Thank you, Mr. Chairman. I just have two quick questions to any Member of the panel.

In terms of employment, you talk about tourism as the job generator. Could you give me a view of the type of jobs and incomes that are generated, some view of the spectrum of it?

Mr. HARTLEY-LEONARD. The travel and tourism industry has on average payroll about 13 percent higher than American industry in general.

I think what you have to do is broaden the notion of what travel and tourism is because travel and tourism is the butcher, the baker, and the candlestick maker, the taxi driver, and all the persons who work in the airports.

That was why, I believe it was Mr. Applegate, if I remember correctly, if he was sitting behind the right name tag, who made the issue of international tourists not paying—not having a deductibility issue in the United States, the words are travel and tourism, and travel is as much a component of this as the tourism side of it.

I got up this morning and flew from Chicago to Washington and I am going to go back to Chicago. There is a travel aspect of that that has no relevance to tourism other than coming and appealing to you today. It is the tentacles through which travel and tourism reaches out into the small business community in the United States. Not the Hyatt Hotel Corporation or American Airlines or United Airlines, but it is the small business operator that truly is involved in this aspect of the business. And I think that is the message we need to get out in a more effective way to the public.

I would argue, for example, that technology is doing everything that it can at as fast a pace as it can, possibly to make the American work force redundant. One can argue you can choose whatever year you like, 2005 or 2010. I can't see a person in the production of an automobile at that time. I don't know what it says about Detroit. Except it says that travel and tourism for Michigan is going to become an extremely important business.

I think, understandably and believably, that unemployment could rise rapidly through technology over the next 10 or 15 years or 20 years. I view travel and tourism as an opportunity to be the counterbalance towards that. People have not yet begun to travel. In 1955, this industry started, which is why it doesn't really exist in the United States. It has no measurement in the United States.

There is no SIC codes that talk to the issue of travel and tourism in this country, which is why we are working on satellite accounting to try to get some methodology by which we can measure its contribution along with agriculture and along with light industry and heavy industry and construction.

I think if we can move those things along, if we can create the greater awareness through this White House Conference on Tourism, we will truly start to get that light bulb to go off in people's head that says, "Oh my God, this is one of the key issues for the United States."

There were 350 million people released from human bondage in the last three years in the former Eastern Bloc countries. Now, they may be economically deprived at the present time, but by the year 2005 or 10, or whatever year you want to choose, they are going to have discretionary income. And through the wonders of television, they have seen the Grand Canyon and other wonders of our nation and they want to come there.

And I think we have to be more aware of all that in order to prepare ourselves. And it is a jobs issue. I think one of the Congressmen made the comment, "Travel and tourism is jobs." That is what it is. Thank you.

Mr. MENENDEZ. I have one other question, if I may. A very serious question to Mr. Ruttger. How is the fishing? I am looking for places; do you have a brochure? Your comments mentioned the fishing, so what do you catch up there?

Mr. RUTTGER. Well, that comment was made back, I think, in 1898 the fishing was good. The fishing is not that good anymore. Most resorts in Minnesota have golf and other programs, do a lot of the group type business, and I can honestly say I have no idea how fishing is in Bay Lake right now.

Ms. FULTON. Well, fishing is good in Tennessee. And thank goodness we have enough jobs in those areas and enough people who make the choice to live in the rural areas and work in those types of jobs as well as those who pursue the higher paid jobs in the cities.

But that is one aspect of the job market for the tourism jobs and that is we cover—we cover the water front. There are jobs that fit every American within this industry. So we are able to fulfill the needs for employment for citizens in our rural areas all the way up to our largest cities. And it is a very valuable resource for us.

Mr. RUTTGER. I had better not let it end there. I was speaking for myself. You take the boundary water area and you take the Gun Flint Trail and Lake Superior, and their fishing is tremendous.

Mr. RAHALL. The Chair will respond to the gentleman from New Jersey that my son is in Minnesota fishing right now. So I will let you know when he gets back where the better places are. But better than that, I will provide you with some of the best places on the New River for fishing as well as in West Virginia.

The gentleman from Tennessee Mr. Duncan.

Mr. DUNCAN. Thank you, Mr. Chairman. It is not often that I get to welcome a witness to this committee from Tennessee but, Ms. Fulton, we are glad to have you.

Ms. Fulton and her work at—she is through her work—has earned a very good reputation all across our State, and I think the importance of travel and tourism to Tennessee is shown by the fact that out of the 20 witnesses today, three of them are from Tennessee and another one is—while not from Tennessee, is working

planning an event, the white water part of the Olympics in Tennessee. So certainly this is very important to us.

I appreciate your testimony, Ms. Fulton, except for one part. You mentioned some pretty good schools—Harvard, Yale, and Vanderbilt. And those are good schools, too, for those who can't get into the University of Tennessee.

Ms. FULTON. I stand corrected.

Mr. DUNCAN. You left out Knoxville. We feel that is pretty important. And in our home area of east Tennessee, the tourism is very, very important to us. Let me ask you this: You mentioned that the travel and tourism is the second largest employer in Tennessee and throughout the Nation, and yet I have to believe that if you asked the average person who is not in those industries to list the major industries in the country, they would probably start listing construction and automotive and things of that nature. And I am not sure the average person would list travel and tourism.

Do you think you are getting the credit you deserve or do you think the profile is too low? I know Mr. Hartley-Leonard touched on that a moment ago, but why do you think there is such a low profile for your industry?

Ms. FULTON. For many years, I think the components of our industry have been identified more readily than the travel industry as a whole. Obviously, we all have been aware that we have major hotel industry and airline industry and others, but to perceive it as one industry has slipped by the wayside as we have gone through the years.

However it has only become a strong industry, as Mr. Hartley-Leonard indicated, in the past few years. Only since World War II have we begun in this country—begun to develop the ability to travel so freely and easily and the desire to do that, and the technology has increased to the point where we are all so aware of what is going on all around us and all over the world, that we want to travel. So it really has only taken shape, say, in the last 30 years.

In the last 15 years, we have shown in our State an increase in revenue as SIC codes that apply to the tourism industry every year for the last number of years, so it is a building and a growing industry, as the job numbers also demonstrate very clearly.

That is our task today and that is one of the reasons that the White House Conference on Tourism would be so helpful is to bring all these groups together to talk about the value it has to our country as a whole and the power of the industry itself and how we all truly have depended on it for a long time and did not realize it and did not refer to it as the travel industry.

Mr. DUNCAN. I will just, since there are so many other witnesses, I will just ask one more question, but is it a problem today, the taxation of tourists? I notice that some local governments, rather than tax their own citizens, they like to sock it to the tourist, so to speak, with high hotel-motel taxes or high taxes on tickets for entertainment and those types of events.

Is that something you all consider a problem or is that something you are working on?

Ms. FULTON. It is a potential problem depending on the level of that taxation. I think we all understand that government must op-

erate on tax dollars and that the vast majority of us are willing to pay our fair share of taxes. The concern in the tourism industry is that overtaxing and the not-so-fair share that, in some cases, taxes seem to be applied in areas in greater than in other areas so it does seem unfair.

I know on local levels and on a State level, there is taxation as mentioned in the State of Tennessee where those taxes are utilized for the promotion of travel and tourism. That is a valid way to accomplish that, up to a certain point. Again, it becomes unfair in some areas, in other parts of the country where we have seen the taxation so far beyond what is reasonable because it seems an easy thing to do. Tax those people, they don't live here.

And we do enjoy that taxation to a certain extent because we need those monies for the promotion of tourism like we need the highway taxes for the revitalization and the maintenance of the highways, but those funds are not always expended for the purchase that they are originally identified for. Those are our concerns.

Mr. HARTLEY-LEONARD. If I could just add one comment to what Ms. Fulton is saying. If you looked at what happened in New York, so seldom is a tax ever rolled back and yet there is a bill being considered in New York to roll back the taxes. They have risen to 21 percent on a hotel room in New York. I think that the reason the travel and tourism has been an easy target is partly we have ourselves to blame.

I am involved in travel and tourism. My part of it happens to be the lodging industry. And we have had tremendous territorialism in this industry. The airlines, the restaurants, the hotels, all the various constituencies of travel and tourism have not come together.

It is our job, people from the State level and myself at our level and Mr. Ruttger from his involvement to try to coalesce together because I think it was you, Congressman, that said that Congress listens to constituencies and we, as travel and tourism, must become the largest constituency in this country and then we will get greater understanding together.

I read just coming over on the plane just one last comment on taxation. The City of Miami, in its wisdom, has decided—rightfully so, it should address the issue of the homeless. A situation that all of us in this country with any heart whatsoever would applaud.

However, the logic of taxing one more percent onto restaurant charges is hard to understand. It is hard to understand the thought process that went into saying we have got a homeless problem so let's figure restaurants can participate in a solution. And I think that shows the weakness of travel and tourism. You are right; it is the visitor. It is a person that doesn't vote.

Mr. DUNCAN. Thank you very much.

Mr. RUTTGER. I have one more point. In Minnesota, they passed a law a few years ago that any community that passes a room tax, a bed tax, they must spend 95 percent of it on tourist promotion so it can't go into a general fund. Some of the older laws—St. Paul has had one—they get like 25 percent goes to tourist promotion and 75 percent into the general fund so any new—any community that adopts it newly must spend 95 percent on tourism promotion.

Mr. RAHALL. The Chair hands the gavel back over to the chairman from Minnesota.

Mr. OBERSTAR [presiding]. We thank you very much for your participation and very important incites you have offered to us on the subject of this first panel and thank you very much for being with us today coming such long distances to join us.

Our next panel will be on urban revitalization. Mr. Paul Marinaccio, Executive Director Office of Economic Marketing and Policy Group, City of New York. Mr. Everett Shaw, President, Renaissance Newark, and Deputy Mayor for Economic Development, City of Newark, which we have just had a history lesson.

And Mr. William LaRosa, Administrator, Division of Cultural Heritage and Tourism Affairs, Hudson County, New Jersey.

The gentleman from New Jersey wishes to offer an introduction, the Member of the committee, Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman.

Mr. OBERSTAR. And then Mr. Payne.

Mr. MENENDEZ. Mr. Chairman, I want to take the opportunity to welcome to the committee two of the areas that I represent along with Mr. Payne. But as a resident of Hudson County, for most of my life, I want to welcome Mr. LaRosa, who has done an outstanding job in taking Hudson and promoting its natural resources and its people, culture and history.

I think it is an integral part of this topic we are discussing today, and I want to commend you, Mr. Chairman and the chairman of my subcommittee, Mr. Rahall, for including urban renaissances as part of the overall discussion of attracting travel and tourism.

Also, I would like to take the opportunity to also welcome Mr. Shaw, as Newark is a new part of the congressional district that I represent. Newark is truly a renaissance city, an all American city which I now have a great privilege of sharing with Don Payne as one of its representatives.

I would like to welcome both of you and I look forward to your testimony.

Mr. OBERSTAR. Mr. Payne.

Mr. PAYNE. Thank you very much.

I, too, would like to welcome the two persons from New Jersey, and it is a pleasure to be here at this committee today with my colleague Mr. Menendez. As he indicated, we share a lot of common territory. I would just like to indicate, though, if you are looking for a place to fish, you know, we have the Newark watershed which is up in northern New Jersey.

Mr. MENENDEZ. If you get a pass, I will go.

Mr. PAYNE. As a matter of fact, call my office, we can work that out. They have fish so big they just jump into the boat. It is just unreal. But years ago, once again, Newark purchased water up in north New Jersey in the state forest region and now it is a resource that the city owns and is very valuable. But let me just say about Mr. Everett Shaw, who is President, we certainly thank the two of you for traveling down to Washington.

Mr. Shaw is President of Renaissance Newark and Deputy Mayor for Economic Development in the City of Newark. He holds a unique leadership position in the city's development program. Mr. Shaw reviews and makes recommendations on all major devel-

opment opportunities and projects in the city, and he has held a number of positions at every level of government.

He has served on numerous local, regional, and State boards and commissions. His past position includes service as the Director of the Essex County Economic Development Corporation and the Essex County Improvement Authority and currently he is leading Newark's industrial park—science park; a campus is going to be developed, and a regional high school in science and technology.

Mr. William LaRosa, who is administrator of Hudson County's Division of Cultural Heritage and Tourism Affairs, has been involved in a number of projects including New Jersey Theater Jubilee, Chair of the Gateway Regional Council Promotional Committee, and Vice President of the New Jersey Association of Cultural Heritage and Tourism Affairs. He recently won a key award at last year's Governor's Conference on Tourism.

Once again, I appreciate having the opportunity to say a few words about that.

Thank you.

Mr. OBERSTAR. Thank you very much, Don. We appreciate your participation in the work of the committees today.

Mr. Marinaccio.

TESTIMONY OF PAUL MARINACCIO, EXECUTIVE DIRECTOR, NEW YORK CITY ECONOMIC POLICY AND MARKETING GROUP; EVERETT SHAW, PRESIDENT, RENAISSANCE NEWARK, INC. AND DEPUTY MAYOR FOR ECONOMIC DEVELOPMENT, OFFICE OF THE MAYOR, NEWARK, NJ; AND WILLIAM LaROSA, ADMINISTRATOR, DIVISION OF CULTURAL HERITAGE AND TOURISM AFFAIRS, HUDSON COUNTY, NJ

Mr. MARINACCIO. Thank you, Mr. Chairman. Chairman Oberstar and Chairman Rahall and Members of the subcommittees, my name is Paul Marinaccio. I am the executive director of the Mayor's Economic Policy and Marketing Group, and in that capacity for Mayor Dinkins, and oversee economic policy and tourism programming in the City of New York.

It is a pleasure to be here to talk about the importance of the tourism industry in New York, but perhaps more to the point of your mission today, to discuss the importance of New York City and other urban areas to the Nation's tourism business and therefore the health of our Nation.

I would like to acknowledge the eloquence of Representative Payne in describing the importance of the City of Newark, its history and our urban assets. In more pedestrian language, I am going to make an attempt to discuss some of the same themes from the perspective of the other side of the river.

The City of New York endorses the creation of a White House Conference on Tourism. Such a meeting will provide the leadership and focus necessary to sustain and expand local efforts to attract more travelers to the United States.

We believe that the conference is necessary to foster a better understanding of the tourism industry by government and by our residents. This understanding is a prerequisite for the development of Federal policy that will enrich the national tourism industry, which in turn will help revitalize urban America.

In the absence of a Federal tourism agenda that sufficiently leverages the Nation's urban assets—and I stress the word "sufficiently" that for a reason, because of the considerable efforts already undertaken in part because of leadership of the representatives here today. In the absence of an agenda that sufficiently leverages the Nation's urban assets, New York City has launched a number of initiatives to nourish this industry which might be important for such a conference to recognize and to review.

New York City serves as a gateway for travelers visiting tourist destinations throughout the Nation. That is one of the roles we play in the Nation's economy. In the most recent year for which we have firm statistics, slightly more than 60 percent of all visitors to New York City used our metropolitan area's three airports as a port of entry to the Nation. These visitors to New York City account for nearly 24 percent of all overseas travelers to the United States.

New York City, as you all know, also houses attractions from the Cloisters to Ellis Island to the Empire State Building, which encapsulate the American experience. Much of our national identity, as an economic superpower and as a global leader in culture and innovation, is tied to the people, places and history of our five boroughs in New York City.

The economic benefits are clear. Tourism for New York City is a $13.3 billion industry supporting 173,000 jobs in our hotels, restaurants, merchandise, apparel, and accessory stores and entertainment and transportation industries. Recognizing the importance of tourism to our local economy, New York City has stepped up its efforts to attract visitors to spread the benefits of tourism throughout the city.

Just this past summer, the administration and the private sector embarked upon a major new tourism campaign. We called it "New York 93—Summer in the City." New York 93 is the first collaborative effort by different segments of the tourism industry in our city to help attract visitors to New York. The campaign leveraged well over a million dollars in private sector contributions. This is just a beginning.

One of the points I would like to make about the program and its relationship to the work that is before you today is that, for this year, we aimed the program at the Northeast market. The amount was insufficient for a substantial overseas campaign.

The points I would like to make is that here—back in New York, we would very much like our consumer marketing efforts to highlight New York City overseas to bring more tourists to our city, to our region, and to our Nation. That is one point we are hoping a Federal—a White House Conference can address.

Because Mayor Dinkins considers tourism an economic development tool which can strengthen our communities, he established a Tourism Development Program which encourages tourism in lesser known areas throughout the city. And one of the tools is a grant program. This year, the city awarded 53 grants totaling a quarter of a million dollars to nonprofit groups for tourism related projects.

Again, the primary mission of the program is to attract—is to encourage New Yorkers and our friends and relatives and colleagues in the region to visit New York City. A secondary market is the

international visitor. We are looking for ways in which we can take valuable and pilot programs such as this and develop them further with the international market in mind.

The tourism industry promises growth nationally, and I expect New York City's tourism industry to be part of this upward trend. In keeping with the President's focus on job creation, New York City is looking carefully at ways to accelerate job creation within the tourism industry. Since most travelers in New York City then go on to visit other areas, expanding our industry will likely encourage growth throughout the tri-state region and beyond.

While tourism contributes significantly to our economy and does promise growth in the future, New York City faces some significant challenges in increasing our tourist activity. In 1992, 15.4 million people visited New York City as compared to nearly 16 million in 1990. A spotty recovery and segments of Federal policy which neglected urban America throughout the 1980s contributed to this decline, we believe. Decaying infrastructures, products of this neglect, helped to contribute to negative perceptions of many American cities. New York City continues to battle these perceptions even while the reality begins to change.

In part because of the importance of tourism to our city and to the Nation, Mayor Dinkins has maintained a vigorous capital spending program throughout five boroughs.

Because of the importance of offering a comfortable city to visitors, we have taken initiatives to put more police officers on the street. One of the results has been that crime in New York City, which was far from the most serious crime rate in the Nation, has steadily declined for the past two years. These are some of the messages that we feel we would like to get out in an international program which focuses on the urban assets of our nation.

A coordinated effort on the Federal level to promote cities as tourist destinations could help campaigns by specific localities challenge traveler's misconceptions of American cities. We encourage the Federal Government to find additional, creative ways to bolster our efforts to promote tourism and to pursue policies that link the growth in the tourism industry to revitalization of urban centers nationwide.

I would like to mention a couple of ideas which might be suitable topics for a conference. Some of the ideas have been discussed by other speakers today, so I will be brief. We endorse the comments today about the need to continue a sustained effort to maintain and upgrade our airports, highways, and rail lines.

We recognize this requires substantial capital investment at a time of constricted municipal resources. A very good step in this direction was the ground access funding provided in the Passenger Facility Charge legislation.

We commend Chairman Oberstar and other Members of these committees for their efforts to support this charge and I echo the comments of other speakers today that we would like to help work with the Federal Government to develop other ways of sustaining these improvements.

As I mentioned before, Federal spending on tourism promotion lags behind the investment by the other countries in this area. We recommend that the Federal Government address this issue in a

larger way, not just for the sake of our city, but for the sake of the country.

And finally, I do endorse the themes developed by Mr. Hartley-Leonard about the—about additional efforts to improve the system for processing international travelers upon arrival at the Nation's major airports. We envision a Federal tourism policy that increases the benefits of our tourism industry exponentially.

New York City and Mayor Dinkins look forward to joining with the Federal Government to strengthen this vibrant industry to help our cities thrive into the future. I just want to stress that I am very grateful for the opportunity to appear before you today. We in New York City share your goals.

Thank you.

Mr. RAHALL [presiding]. Mr. Shaw.

Mr. SHAW. Yes. Thank you, Mr. Chairman, Members of the panel, particularly Congressman Payne and Congressman Menendez we appreciate very much the opportunity to appear and to speak on behalf of the resolution in support of the White House Conference on Tourism. I speak to you as Deputy Mayor for the City of Newark, and I also speak to you as President, renaissance of Newark, which is a group that represents the major corporations in the city.

Tourism, transportation, and urban centers are unquestionably and obviously very interdependent and, indeed, desirably intertwined. Tourism in its simplest definition is people spending money; transportation in its simplest mission is the movement of people; and the primary purpose of urban centers—and I will emphasize urban centers in my comments—since the beginning of civilization has been to serve as the human marketplace.

A place which serves as the only place in most instances in history to which multitudes of people from different backgrounds, history, race, nationalities, religion are drawn together by an overwhelming common need or good to share something together.

For those of us here today, it is the American experience that is central to what we seek to support and serve. And our urban centers play a central role in that experience.

With the exception of nature's gifts of beauty and wonderment, all that is left particularly significant and all the significant activities in our country's history have been the products of us as a collective people. Central to that which we have accomplished as a people has been the common denominator of transportation. Transportation is that physical thread which has sewn us together. It has sewn our Nation's human fabric together.

It can be stated without any reservation or equivocation that our Nation's economy historically has been transportation based and our Nation's economic future will indeed be transportation driven. The importance that all of us who work in urban centers place on the work of this committee cannot be—and I stress cannot be—overstated.

The role of the urban centers must play in the fulfillment of the mission of this body cannot be overemphasized. Tourism is a powerful economic tool and, as such, a vital element in our economic vitality. The interests of the world in us as a nation and the unique and remarkable leadership role that we have played for over 200

years postures us as a nation in the eyes of the world as an enormously attractive and interesting set of people and places.

Indeed, international tourism specifically is poised to play an even greater role in the future of our economy. Consequently, tourism is uniquely positioned with the potential for enormous growth industry which has heretofore been underutilized as an important stimulus for the urban economy. Thus, investment by the Federal Government in tourism can play the dual roles of catalyst for an emerging industry and provider of much needed jobs and business opportunities.

Therefore, there is an absolute and urgent need for urban centers to play that role in fulfilling the crucial need for a national comprehensive tourism program. Our urban centers have an enormous amount to offer. For example, urban centers are the holders of much of our history: The history of our people, the history of our culture, the history of our professions, the history of entertainment, the history of our social growth and underlying all else, indeed, the history of our economic development.

It is precisely for these reasons that urban revitalization must be part and parcel of any national tourism plan. In spite of the fact that our urban centers have these assets, our need to be part of a national tourism strategy is enormous.

To be part of that strategy, we need to continue Federal investments which improve our transportation network which, in turn, allow people to visit us in comfort and security. We need the continual Federal investment in urban revitalization that helps to move the urban markets to be competitive in today's economic environment and we continue to need Federal investment in programs designed to help our urban citizens and particularly our minority citizens to become more productive participants, whether it be as employees of the tourism industry or as the owners of small businesses which often are the primary by-products of tourism.

What is needed now is Federal leadership and how we bring ourselves urban suburban rural together as a true mecca for tourism to those who come from outside of us as well as those who come from within our country. We need the influence of Federal Government to encourage elected CEOs at all levels of Government to fully recognize and fully embrace tourism as the vital and vibrant element of economic growth that it so adequately poses.

We need help to package ourselves into wider regional, state, and national tourism campaigns. We need help to preserve and protect our urban areas which have been blessed to serve as the centers of most of our history and most of our growth including our political revolution, our economic revolution, as home to new arrivals from other lands, to research and development by our great inventors, and most importantly, a place where the melting pot—and I emphasize this—critical to those urban centers, a place where the melting pot provided the essential ingredients to assimilation.

Urban centers are the place where different kinds of people are drawn together to share a common experience, that is how we meet one another. That is how we learn about one another and that is how we become a nation of people.

Let us also agree that in any future tourism initiative, that we place as much importance on seeing the works of our people as we

do on seeing the works of nature. Let us commit ourselves to a holistic approach of not merely recognizing one inventor's contribution, but also showing the work and history of those urban people who mass produced those inventions.

Let us tie the history of our people and our places, see that we present a profile that offers enormous attraction and appeal to potential tourists, again, both from outside as well as from within our country.

We thank you for the opportunity to appear.

Mr. RAHALL. Mr. LaRosa.

Mr. LAROSA. Thank you very much for giving me the privilege to be here today with the committee and also to Congressman Payne for inviting me and for the kind words from Congressman Menendez.

I am going to give you a three-part, hopefully very brief, overview, first of all, of my county; second, of our experimentation in tourism and keeping in mind the possibilities that could be done if we had some assistance and further and larger resources in this area; and last, hopefully a different side of this issue which are the social and spiritual sides to tourism.

The smallest and most densely populated of New Jersey's 21 counties, Hudson County is a peninsula bounded by Newark Bay, the Passaic and Hackensack Rivers on the west, the Hudson River, New York City on the east, the Kill Van Kull waterway on the south, and the landmass of Bergen County on the north.

Twelve municipalities comprise 46 square miles with a resident population of approximately 560,000, nearly 12,000 persons per square mile. Hudson is one of the most ethnically diverse counties in the United States with approximately 87 different primary languages spoken among the students throughout the school system.

Hudson County is home to the oldest European settlement in New Jersey. The village of Bergen, founded in 1660 by the Dutch West India Company, is now the Bergen Square commercial district in Jersey City, the county seat. From the time of the Dutch and English colonial period until the mid part of the 19th Century, light farming, fishing, trading, and leisure/recreation were the primary modes of commerce.

From the late 19th Century until approximately the late 1970s, Hudson County's economy, because of its strategic location to the New York ports and its access by several major railroad systems, became primarily an industrial one in an urban environment.

The tourism industry in Hudson County, while in its infancy, has grown steadily over the past ten years with an outstanding potential for future growth. The reason for this is for the very same reason that Native American nations, Dutch and English settlers, and American industrialists found it so appealing: Location, location, location. Marketing 101.

Presently, Hudson County markets to the motorcoach/group tour market. The primary thrust of the marketing approach is to position it as an affordable spokewheel or home base from which to visit a destination market and surrounding regional attractions, plus presenting new and different venues. The benefits of staying in Hudson County are:

Only one to four miles to the heart of New York; only 1,700 and 2,100 feet, respectively, to Ellis Island and the Statue of Liberty via ferries and hopefully by a foot bridge in the near future from Liberty State Park in Jersey City; accessible to all major attractions in Northern New Jersey, such as Giants Stadium, the Meadowlands, World Cup Soccer coming in 1994; Hudson County attractions such as the Spirit of New Jersey, World Yacht, Circle Line Manhattan tour boats, designer clothing outlets in Secaucus, the restaurants, shops, and nightlife in Hoboken, and Liberty Science Center at Liberty State Park in Jersey City; our major hotels are 25 to 30 percent less than those in New York; New Jersey's room tax is only 6 percent while New York's ranges from 21 to 23 percent.

I must add also to my comments that to add a tax to rooms in hotels is very regressive and the effect is that the business goes elsewhere, always.

Also, we have comparable quality restaurants which are 20 to 25 percent less than those in New York. And last, because of our size, our roads and highways are easy and accessible to get around.

Now, tourism is the second largest industry in New Jersey. According to a study commissioned by the New Jersey Division on Travel and Tourism for 1991, Hudson County was eighth among all tourism regions in that state. Hudson County tourism, hospitality for 1991 was: $707.21 million in travel and tourism revenue, 11,500 persons were employed in this industry in our county, and over $195.5 million in wages were paid to employees in our county in this industry.

The Hudson County Chamber of Commerce and Industry states that the tourism, hospitality industry is the largest industry in Hudson County today. In 1990, the county's Division of Cultural and Heritage Affairs, also responsible for tourism promotion, created the Hudson County Tourism Committee. The Committee consisting of the attractions, hotels, restaurants, and related hospitality businesses in Hudson County, develops cooperative ventures to promote Hudson County. These venues have included trade show participation, advertisements in trade journals, and familiarization tours, or FAM tours, for tour and travel professionals.

To date the committee has presented three FAM tours for 121 professionals from around the United States and Canada. To date, approximately $150,000 in group tour business has been booked from these FAM tours alone. And the county has established now a toll-free number to assist tour operators in making their plans when they are coming to our region.

Now, the projection for hotel occupancy in 1993 in Hudson County is 79 percent, which I believe is approximately 10 percent higher than the national average. Without these cooperative arrangements and partnerships, we could not promote tourism, as our own county resources are very limited in this area.

Now, on to urban tourism, which is sort of a new venue in travel and tourism markets.

The Division of Cultural and Heritage Affairs also has developed specialized tours, such as canoe trips and architecture tours: Neon tours, wrought iron tours, very popular in tourism.

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We must not forget the cities and the history they hold. These urban tours marketed with an attraction can make for an attractive tour package. As I have heard time and time again from the tour operators visiting us on our FAM tours, "What is new? We need to sell something different. What do you have that is new."

Now, the county supports Resolution 110 for these obvious reasons. First, it is a growth industry that can provide many jobs. Hudson County looks to the hospitality industry to replace those jobs lost with the closing of its factories during the past decade. Also, some businesses can benefit as they provide goods and services needed by hotels attractions and restaurants.

On a broader view, the regional economy also is helped by tourism's growth. If New York does well, we do well.

And also, tourism is a very environmental sensitive industry. It should be. Tourism can enhance a community's image and foster community pride. In our experience, tourism has helped us to rediscover Hudson County's identity. Showing ourselves to others has made us see what our identity is and why we are unique in our own way.

Now, our Nation needs a comprehensive strategy on tourism policy. It is the only industry to which we have yet to acknowledge that we must compete in globally. Tourism is now the world's largest industry.

Many issues intersect with a comprehensive tourism policy. Transportation infrastructure is vital to urban areas. I think if you think about the many problems facing our urban centers, they overlap the tourism industry. You solve one, you help the other. I think that is what is most important about this issue.

Next is the preservation of our historic resources and cultural resources. I would like to see that there be investment in the cultural infrastructure of our area. I think what Mr. Rahall mentioned before about the cultural infrastructure, it is very important that we do more to help build performing arts centers, to restore downtown areas that can become art galleries, revitalize downtown centers.

My next question is actually: Why do we not do more to protect and showcase our heritage? Why do we travel and marvel at the preservation of the heritage of other countries but do little, indeed, to protect our own? I can't understand that.

We also must invest in our cultural infrastructure. Again, I stress that it is very important. The life of any great city or urban area is its culture. There was a time in our society when we prided ourselves on the greatest of our city's cultural venues and its architecture.

The people of Jersey City, understanding this important quality of life issue, have saved their beloved Loew's Jersey Movie Palace from a developer's wrecking ball. It is their vision that an investment in this structure as a cultural center will successfully turn around a once thriving commercial district and preserve a piece of their heritage.

Last, I would urge that any conference on tourism include on its advisory panel members from arts, humanities and cultural organizations. Culture and tourism issues should be inseparable.

Last, in closing, I would like to quote the late Arthur Frommer, a pioneer in the American tourism industry. And this was written

in the Preservation Forum of fall 1988. "Tourism does not go to a city that has lost its soul. And that condition the absence of a soul or a theme has been brought about by the decline and destruction of central, inner cities all over the country."

Thank you very much.

Mr. RAHALL. The Chair recognizes the gentleman from New Jersey, Mr. Payne.

Mr. PAYNE. Thank you. The growth around Jersey City area water front started to really progress with this sort of a downturn in the economy. I guess it has leveled out. What do you envision in the near future about that area and its continued growth?

Mr. LAROSA. I believe, Congressman, that the plans are now that it is becoming a back office for a lot of the major financial brokerage houses in New York City. I think Harborside Financial Center in downtown Jersey, which was once a main terminal, I think—I believe that will be very much for that kind of industry.

I am also hoping that will also be for more of the cultural and recreation aspects that we need very much. Right now, we have very limited access to our waterfront for our people and our visitors. It is important, too, that we make more access to them to that resource.

Mr. PAYNE. How is transportation? Is there more development of ferry boats from Jersey to New York.

Mr. LAROSA. It has increased over the last seven years. I think of the Port Imperial properties who have ferry service from Weehawken, from Hoboken to New York City, and they have actually seen the income potential to expanding their venture. They now have tour boats coming to upper Hudson River Valley.

They do historic tours in the New York Harbor, so I believe that right now ferry service will be provided by a private carrier. It is very important, I think, when the ferries closed out at Liberty State Park, which is a big mistake, because I think environmentally, and in terms of aggravation driving through the tunnels that is just the wrong way to go.

Ferries have always been and always will be the most environmentally sound thing to do. I think people like the romance and adventure of taking ferry boats.

Mr. PAYNE. Finally, on the Liberty Park, how is that progressing in the future of the Liberty Park development?

Mr. LAROSA. I really can't comment on all of those issues. I don't know—I know that there is an issue about a golf course to be built at the park. It has a master plan, but right now, it is up in limbo because of the sizing issue to resolve. As you know, the county is very densely populated and we are growing, with very few open spaces to the public.

I think those that are making the plans and the public who are the advisory committee want to make sure they do the right thing and not spoil the remaining space we have left on the waterfront.

Mr. PAYNE. Thank you very much, Mr. Shaw.

With the heavy transportation and increase in Newark Airport, do you think that there should be an expansion of the Federal services like Customs and so forth, so that we don't have lines developed with the increase in the travelers through the Newark Airport?

Mr. SHAW. As you know, Congressman, in the port area of Newark, you have the fastest growing airport in the country, and you also have the largest containerized sea port in the entire East Coast. And it is an enormous volume. That is one of our major economic engines in fueling the recovery of the City and the region.

Absolutely, there needs to be an increase in those services because a constant source of concern, both from airlines and all other players, as well as the clients and travelers themselves.

Addressing the movement of people out at the airport, I would like to comment on from the City's perspective what was the wisdom in the passage of passenger facility charges, those being used by the New York/New Jersey Port Authority in cooperation with the City of Newark and the installation of monorail systems which will now move people very quickly, rapidly, and conveniently from auto locations as well as tying into mass transit which has been our major emphasis.

There is a monorail system that is currently under construction in the airport. There is a new Northeast corridor station to be developed which will tie into all the existing transit systems and there has recently been approved a monorail which will contact downtown Newark with the airport. That is absolutely vital, and I think really to the central point of today that so many facilities exist. What failed is to linking them to the population centers and allowing them to work, and transportation is vital to it.

If we don't have the support of the Federal Government, in a number of ways, quite frankly, New York/New Jersey Port Authority would have ended up building the largest parking lots probably anywhere on the face of the earth to accommodate that traffic in the absence of any mass transit improvements.

Mr. PAYNE. Just a question as it relates to development and so forth. You mentioned Newark Bay. Do you feel there needs to be more cooperation between the environmental community and the business community? We saw a delay for many years, a dredging of Newark, Port of Newark, when it was petitioned, had been sent out to have it dredged, but because there was low dioxin—and Congressman Menendez has worked on that also coming into the new district—do you see a need for closer cooperation between environmental and growth so that these are not incompatible?

Mr. SHAW. Absolutely. As encouraged as I am by the call for a Conference on Tourism, I would have to be very candid. I am discouraged by the way some of the breakdowns have taken place between the environmental concerns, the agencies enforcing those regulations, and the business needs, employment needs of people in our area.

Specifically, I will share an example without naming the company. We have a company at the present time, and I just talked with the leadership yesterday. They have been working on a permitting process since 1986. There is 150 jobs at risk to Newark. There is 800,000—$800,000 in property taxes, and that permitting process has gone on since 1986, and it involves four agencies.

The agencies coordinated—it is a monstrous problem for us and, as you know very well, we probably have 300 acres of prime—potentially prime land to be developed. But because of historical, economic development patterns, these are the lands that provided jobs

for thousands and hundreds of thousands, but today lay dormant because of environmental regulations and the absence of any real clear model programs of how to clean them up and put them back to use.

We have prime sites right off of New Jersey Turnpike which could go for the highest possible dollar on the market today, but until they are cleaned up, you simply can't convert these empty acres into what will be enormously tax generating and job generating private investments. That is singularly probably the greatest problem challenging us today.

Mr. PAYNE. Thank you very much. Last question and I know my time has expired. Could you just explain the economic impact of the performing arts center, what it is and why that will be a magnet for the area?

Mr. SHAW. One of the goals of the city in its planning initiatives with your support has been that the whole aspect of the culturism has become one of those economic engines, the Newark museum through the support of a lot of our leaders, including yourself, underwent a $20 million renovation.

The attendance at the Newark museum is 500,000 people a year, making it the sixth most frequently visited museum in the entire East Coast. The relocation of the New Jersey historical society into downtown Newark adds to that cultural mass.

What we really see as the critical difference, the critical point in making that mass exist in New Jersey is with the performing arts center. The proposed performing arts—I shouldn't say proposed any longer, because demolition has taken place—is an excellent example of how the Federal Government and the assistance of our Federal delegation with an investment, $1.5 million, to help us begin the plan to move this site. Some initial work has resulted in over $100 million worth of commitment now from the private and public sector by public, State, city, and county and the private sector except for $50 million. That was $1.5 million that leveraged that program. We view that—and the groundbreaking or the demolition has taken place. The groundbreaking will take place this September, the doors will be open in September of 1996.

That estimated alone, that single facility, according to a couple of professional marketing studies, estimates that that will translate into probably around $28 million a year in business and tax generated in Newark.

And again, most importantly, I think and I know you subscribe to this, is that once again, as the mayor has also said, we need facilities in our urban centers which continue to attract all different kinds of people from all different walks of life. And that is what is going to maintain a multi-racial, multinational, multi-religious setting in the city. The performing arts center is going to be a world class, state-of-the-art center and will do that.

Mr. LAROSA. If I may, I think it is important to consider when declaring zoning areas for entertainment or even for historic districts to make them districts, not make individual sites, because I think that things overlap. When you have a performing arts center in an area that is thriving with art galleries and restaurants in a zoned area, that helps it to bring people there. I think something

isolated does not draw as many people as having a whole district that can support that.

Mr. PAYNE. Thank you very much.

Mr. OBERSTAR [presiding]. I thank the gentleman.

Mr. COLLINS.

Mr. COLLINS of Georgia. Thank you, Mr. Chairman.

Mr. Marinaccio, it seems as though you all put on quite an effort for the New York 93 promotion. Was it successful or has it been successful so far?

Mr. MARINACCIO. We are still tracking the economic ramifications of the program. But we do know from anecdotal evidence that we have more people coming to certain attractions in the city and that certain specific initiatives, such as a Discounted Lunch Price Program in some of our more famous restaurants, did attract quite a bit of business. So we do feel that consumer advertising to the consumer, as opposed to considerable business-to-business efforts that many convention and visitors bureaus undertake, can be successful.

What we would like to do, as I mentioned in my comments, is develop such a program in the future so that we could do more to attract international visitors because of the importance of those visitors, not just to New York City and to my colleagues in the region, but to the rest of the Nation.

So we are hoping that this might be a worthy topic for a White House Conference, building on the work that has been undertaken by the USTTA.

Mr. COLLINS of Georgia. That was going to be my next question: Who did you target as potential tourists? Were you doing it on a regional basis or national or international basis?

Mr. MARINACCIO. The New York 93 effort in which the mayor and the business community worked together to raise funds for consumer marketing was aimed primarily at tourists in the northeastern part of the United States, roughly from our Nation's Capitol and the New York region to Maine.

A secondary market was international and it is a good question that you are posing, because when we started the initiative, one of our hopes was to take advantage of the fluctuations in the value of the dollar to attract visitors from certain parts of the world, namely Japan, Great Britain and Germany.

The dollar has fluctuated again. There was just so much money we could raise and I think we appropriately targeted the northeast market to get the most bang for the buck for these funds.

One point I would like to add is that there is consumer marketing that is done on behalf of New York State and New York City. I would be remiss if I didn't acknowledge the "I Love New York" campaign which was one of the earliest consumer marketing efforts in the United States. Like many programs across the country, though, funding for this initiative has declined as our economy went through a wrenching recession.

There has been an increase in the past year, a modest increase which we think is important, but what the leadership in New York, both public and private, acknowledged is that we must come up with cooperative programs in which the private community, the

municipality and the Federal Government play an appropriate partnership role around that has been our approach.

Mr. COLLINS of Georgia. Very good. Mr. Leonard, one of the previous panelists mentioned something about you all were looking at a rollback in your hotel-motel tax in New York City. Is that accurate?

Mr. MARINACCIO. The hotel tax—the tax on hotel rooms in New York City is high. There is a sales tax on both the State and municipal level. There is a small hotel tax in New York, a piece of which is dedicated to tourism promotion, by the way.

On the State level, there is a five percentage point tax on hotel rooms costing in excess of $100. Most of those hotel rooms in New York State are located in New York City. Mayor Dinkins, from the beginning, opposed this tax because he thought it was bad tax policy and also because of the regressive nature and the impact on our important travel and tourism industry, which in our neck of the woods employs 173,000 people, which is 5 percent of our work force. That is a tremendous number of people.

In the past year, there have been efforts in the state legislature to repeal that 5 percent tax, which again, we feel, is a tax aimed at New York City without returning appropriate dollars to help us promote this industry which is of importance to us all.

Efforts in the past year to repeal that 5 percent tax which I was personally involved with were unsuccessful. Mayor Dinkins is working now with the private business community to develop strategies for addressing this issue in the coming year. We are not giving up the fight on repealing this tax.

Mr. COLLINS of Georgia. Mr. Leonard also mentioned problems that he saw facing the tourism industry and one he elaborated was number four on his list, was dealing with the reduction in the allowance of meals and also other travel taxes that would be increased. You said most of the rooms are $100 and more in New York City.

Mr. MARINACCIO. Of those located in New York State, that is right.

Mr. COLLINS of Georgia. Having visited New York City on a couple of occasions, you need kind of deep pockets when you go there. If not, you will be filing Chapter 11 when you get home or they will be pulling your credit cards. Based on that and based on the fact that it does take a pretty good income level to visit an area such as New York City, do you agree with Mr. Leonard on some of his problems the way he assesses additional taxation on tourism and additional taxation on those with higher incomes as it will have a negative effect on tourism in New York City.

Mr. MARINACCIO. Let me answer with two points that might be responsive. I understand the questions, and your reasoning.

One of our objectives in our marketing of New York City as a tourist destination is to explain that there are a great number of affordable attractions. New York is an expensive location, of course; but when you look closely at New York City, there are a number of attractions, particularly cultural attractions, which in and of themselves are inexpensive; they are part of the heritage of America. We want people to see them. There are some expensive hotels in New York City, and there are some less expensive hotels in New

York City. When you deal in averages, of course, the amount is higher.

The administration of Mayor Dinkens supported many elements of the President's tax package, and we are looking forward to working with the administration and with the Congress to help bring about both deficit reduction and targeted spending that is important to our Nation.

When it comes to the deductibility issue from 80 percent to 50 percent, the position of the City of New York was that while we recognized the need for an overall package that provides sufficient revenue to achieve the Nation's goals, our position on that issue was that we would have preferred that the deductibility remain at 80 percent; and if that is not possible, that we maintain the deductibility for our theater industry.

Mr. COLLINS. Very good. One more question.

Mr. OBERSTAR. The gentleman's time has expired.

Mr. COLLINS. Oh. Well, there is no one else over here.

Mr. OBERSTAR. We have one more Member, the gentleman from New Jersey, Mr. Menendez.

Mr. MENENDEZ. Thank you.

Very briefly, I listened with interest to your answers to Mr. Payne on the transportation links and how important they are going to be to development in New York and the surrounding region.

The Newark International Airport is expanding majorly, including international travel into Newark, can you estimate the number of passengers that come in both domestically and internationally, and translate that into tourism dollars? What would you anticipate, will happen when you have the transportation links that you described?

Mr. SHAW. As far as the rate of growth in the use of the airport, the projections by the Newark/New Jersey Transport Authority by the year 2000 is the current level, which is approximately 25 million passengers a year, will be in the vicinity of somewhere from 40 to 45 million a year, so a substantial increase.

The area of greatest growth—although in absolute numbers it is still very small, the area of absolute growth though in percentage growth, is in international travel. The international travel percentage of the airport's productivity is growing more rapidly than any other airport and any in the region, although Kennedy continues to have the center of absolute numbers.

Interestingly enough too, the international movement of product, cargo, is also growing, although still minuscule, is growing more rapidly in Newark than it is in Kennedy; and there is a higher value product that is shipped out of New Jersey perhaps than any other. When you take a look at volume, weight, as to unit cost, there is a greater value to it.

Our projections and the studies that went in to justify and result in the funding of the proposed rail link were based in part on those studies. But also, in fact, probably in the last 10, 15 years, the single greatest generator of development in urban centers, one single source that you looked at, was the extension or creation of transit links. Those transit links, and this is vital to movement of people or product, extends out.

In the case of the City of Newark, Penn Station has been the magnet for an enormous amount of growth for visiting the community. The Class A office space in Newark has an occupancy rate of around 93 percent. That far exceeds anything else you will find in the region or in the State itself. In part, they attribute that to, again, the magnificent mass transit system we have.

By extending the facility of Penn Station to the airport, it is estimated that we will see three-station stops at enormous growth, both in jobs and investment.

Singularly, our discussions with developers who have critiqued the work that has gone on through the studies have indicated that they believe this will be the single source of greatest commercial growth for the city of Newark and the region as that line goes into place. But those are projected travel rates from around 25 million, they are estimated to go to 40 or 45 million, and that even provided for the reduction from earlier, before the softening of the economy, if you will, the estimates were 50 million passenger travellers a year.

Mr. MENENDEZ. I understand that Hudson has a light rail system it is proposing, Hudson Waterfront, which has been called the Gold Coast. Maybe it is time to cash in.

Mr. LAROSA. Our primary marketing tools—right now our approach is to work with the group tour business, and the reason that we work with that is that we lack the links to develop the leisure or individual traveler, because it is very inconvenient to get from hotel complexes to the Hoboken District, Union City, the Passion Play, or any other spot in Jersey City. If you take the bus right now, it takes about two hours between local stops and things to get there. So it is really hindering the hotels from developing that market and expanding. So otherwise you bring your car, you drive around. Most people want to take mass transit if they are going to explore an urban area.

Mr. MENENDEZ. Well, I want to thank you both, as well as Mr. Marinaccio. And I think you make a compelling case that urban centers need to be an integral part of this conference.

Thank you, Mr. Chairman, for bringing this panel to our attention.

Mr. OBERSTAR. You made a very valuable contribution.

I want to thank you, Mr. LaRosa, for your closing quote from Mr. Frommer, tourism does not go to a city that has lost its soul. Let's hope that none of the cities and none of the areas lose their soul so that we can recapture that soul and expand on what represents tourism in this country. Thank you very much for being with us and for your splendid contribution.

The gentleman from West Virginia, if he would call up our next panel.

TESTIMONY OF ROBERT E. JULIANO, HOTEL/RESTAURANT EMPLOYEES INTERNATIONAL UNION; WILLIAM T. ENDICOTT, CONSULTANT, 1996 OLYMPICS OF WHITE WATER CANOE AND KAYAK; AND DAVID BROWN, EXECUTIVE DIRECTOR, AMERICA OUTDOORS

Mr. RAHALL. Our next panel is on the issue of economic development and is composed of three individuals: Mr. Bob Juliano, the Hotel/Restaurant Employees International; Mr. William Endicott, consultant, 1996 Olympics of White Water Canoe and Kayak; and Mr. David Brown, America Outdoors.

As a way of introduction to this panel, I know Mr. Juliano. We have one characteristic in common, we share the same birth date. Fortunately for me, not the same year. Please do not take the fact that we do not usually break for our three Martinis as a sign of opposition to this particular provision in the budget bill. But we do welcome you to the committee.

To Mr. David Brown, we share something in common as well. His wife Robin is from my hometown of Beckley, West Virginia, and from my home neighborhood; and our families have known each other all my life. And David, in his previous position with the Eastern Professional River Outfitters, has been so helpful to me and to my staff in drafting of legislation to protect our rivers in West Virginia and provide enhanced recreational and tourism potential.

I express my gratitude to you, David, for your being here today as well.

Mr. OBERSTAR. Bob, do you want to start off.

Mr. JULIANO. Since you didn't note either that the other Chairman is half Italian, I wanted to say that for the record, Mr. Oberstar.

We are delighted to appear before you today, and on behalf of the general president of our union and the 300,000 members we are proud to represent, we strongly support your call for a national Conference on Tourism.

I apologize for not submitting a more lengthy statement for the record, but we were writing a letter yesterday which is being messengered to every House and Senate office as we speak. So you probably want to be sure that my remarks are not included in the record, Mr. Chairman, because we are vehemently opposing the reconciliation bill. So I don't think that the White House will give us too much courage.

We have a file drawer in our office cabinet that has nothing but testimony, and I looked at it yesterday for just a brief minute. So I am kind of new to the issue. The first time I testified was 1974, and I am delighted to appear before you today and before such a distinguished committee and two distinguished subcommittees and to their friends.

And the sad thing I have to say is, absolutely nothing has changed. We are facing a piece of legislation today—I have only been in Washington 20 years. I think it is the most pernicious piece of legislation to affect the tourism industry that I have ever seen in my 20 years here, one single issue after another. And I believe there is a two-fold reason.

One is it can't escape the symbolic aspects of the lobbyists, which is me, and the deductibility, and the fat cat inside the Beltway, and

the big business people. And the reality is, I will send the first testimony when I can find it back to you all. But the first sentence of our first testimony 20 years ago was, "Make no mistake about it, the tourism industry simply means jobs." We have not made our point. This is 20 years later. If they understood what we believe, they would not be proposing such legislation.

The economic vibrancy and the growth of the industry continues to grow, and they keep looking at ways to attack it. If they truly understood and believe how large we are, they wouldn't be attacking.

So my request to you all is to—from a very generic standpoint, I think as you approach a conference of this magnitude, the more focused and the more defined the agenda is, the easier it is to pull it off.

I would recommend a couple of points that are very broad but we have never made the case for; and one is, how do we start to quantify on figures and data and criteria that OMB will accept about how many people are employed in our industry? And the second is, how do we quantify what the economic impact is?

If we reach those two goals, that will be the end of the road, because they will no longer be allowed to be saying, let's go after these people, you know, with all of these half-baked ideas, because symbolically it appears to be good in the national media.

I would strongly urge you to look into those areas, because we are a very diverse industry; it is tough to pull together. We have had a coalition working on the business meal deduction, it has been relatively solid, which is rare for this town, as you all know. The White House has tried their best to pick people apart and buy off certain segments. So by and large, we held basically firm.

But when you consider overall the thrust, I am convinced that they just don't believe that we are that big of an industry and that there are that many jobs affected. I mean the Treasury Department said, the first time they testified, there was no impact going from 100 percent to 80 percent; and the second time, now they said that there will be no impact going from 80 percent to 50 percent.

Our union has lost 55,000 members since 1987. We picked up 20 from that period of time through organizing, but the net loss is 35,000 jobs. So 10 to 12 percent is gone, and we are looking at losing another 15 percent. And I have members saying, it is too bad you didn't tell us before, you know, you worked so far behind the scenes. And I said this was so secret—I don't want to disappoint you, this was so secret, I testified before the House Ways and Means Committee and the Senate Finance Committee.

So you know, I have been around long enough, and when people are going like this because we are facing a political document, you just got to kind of hammer away to try to get them to understand what the new answers are.

But this is not a partisan situation in a conference like this, and you are not making it that, thank goodness. And you are embracing all factors and all segments of the industry. And labor, I know, will be included heavily. And I applaud that effort and look forward to working with you all.

But if you end up in the White House, you may want to check if you want to bring me along, because you might be at peril. Any-

thing we can do to assist you in the development of the conference and the creation of it, we remain at your disposal. And I look forward to answering any questions you may have.

Thank you.

Mr. RAHALL. Dave?

Mr. BROWN. Thank you. Chairman Oberstar and Chairman Rahall, I appreciate very much the opportunity to testify before your subcommittee today. We support, America Outdoors supports the congressional travel and tourism caucus's effort for House Concurrent Resolution 110; and we believe that is a timely and excellent suggestion.

We would like to see the White House convene a Conference on Tourism. And we think there is significant opportunities to recognize the potential for economic growth related to tourism and to deal with some of the problems that we are all facing in the tourism industry.

America Outdoors is a trade association for professional outfitters and guides in north and Central America. I would like to have my directory entered into the committee file.

We have 300 Members that provide access to unspoiled wild areas of our continent for people who lack skills and equipment to undertake such a trip on their own. The recreation services provided by our members include white water rafting, canoeing, and kayaking, horse packing, pitching, bicycling, environmental education, and outdoor skills training.

There are literally thousands of companies that have sprung up all across rural America to provide these services. And most of these have occurred in the past couple of decades, which is one of the problems that we face in having our industry recognized, both by the public and the private sector.

Outfitter and guide businesses, as I mentioned, are located, for the most part, in rural and remote areas. The investment in recreation services is frequently the primary attraction which brings new dollars from tourism into such communities. The infrastructure which builds up around those recreation activities includes gas and lodging, restaurants, retail sales, clothing, equipment, supplies and other tourist amenities.

This is a form, really, of economic pioneering in many rural areas that really would not have another form of industry or at least a growing industry without this type of tourism.

I think that example is most vividly illustrated in Chairman Rahall's own State where the establishment of a viable white water rafting industry on the New and Gauley Rivers in the 1970s led to investment in hotels, motels, and restaurants. Those establishments could not survive in rural West Virginia without 130,000 visits from out-of-state travelers to those rivers each year.

In 1987, the Corps of Engineers estimated that white water rafting on the Gauley River alone contributed $8 million in direct income to West Virginia. And that is a Corps study, so we think it is very valid.

I think I would also like to mention here at this time that Chairman Rahall's vision in recognizing the potential of this industry early on and his support in Congress in removing barriers to its development was absolutely critical to the success of this industry.

And I want to take this opportunity to publicly thank the Congressman for those efforts and to say that I think the Conference on Tourism—White House Conference on Tourism could help address those types of barriers and aid many other rural communities in developing these types of industries.

There are also three major initiatives which we have undertaken in the past year that are indicative of the kinds of things that can be done and promoted to the conference. As some of the other panelists have mentioned, in many areas, economic studies of the impacts of tourism, especially in rural areas, is not well documented. We can easily observe the economic benefits of outfitter and guide businesses in communities in which they are located; but we have no real, say, national measurement and national statistics. And, of course, without that, we lack some of the tools that are necessary to promote our industry both internally or to our friends and local communities, as well as nationally.

Economic multipliers show that the outfitted public brings a lot—quite a few dollars into these communities, where the margin of profit for outfitters themselves is fairly low, an average return on investment of about 4 percent.

One constructive goal for the White House Conference on Tourism would be to identify funding and technical assistance, particularly a universal economic model which would enable communities to measure the economic benefits of tourism and plug that measurement into a national assessment and to have a form of measurement that would be very cost-effective to administer, I think, would be very vital.

A second area that we have entered into is the international tourism, which many people have mentioned here. And I think the inadequate funding for the U.S. Travel and Tourism Administration is something that really Congress should address.

In 1992, the Forest Service made a commitment to manage national forest assets in a program to support community and State efforts to diversify their economic base through tourism activities. There are a number of working principles which provide a foundation for this undertaking.

Two important principles of the Forest Service and its partners takes the lead from the local community, which we think is important; and, secondly, that the investment results in sustainable, environmentally sound tourism. And that is what we think our industry helps provide.

America Outdoor has become a primary partner in this venture, focusing its expertise in promotional efforts in largely untapped international markets. We have had trips for foreign travel writers in Oregon, Washington, and Idaho. We had one scheduled this fall in Tennessee to visit the Ocoee Olympic site and to go white water rafting. And we are having writers from France, Germany, and Great Britain to do that. USTTA helped us in that effort, which is another way to help aid local communities that that program can provide.

So we think that is a very viable way to spread the word about travel opportunities in the United States. But it is hard for domestic or international advisers to get information about prime recreation activities on Federal lands and harder yet to know what else

in the area—what else is in the area once you have chosen a destination attraction. When it comes to public transportation, you—obviously, there is not much in rural areas.

A constructive goal for the White House Conference on Tourism is to identify and create incentives which integrate business investment, job training, marketing, communications technology, and the public transportation infrastructure in the development of tourism in rural areas. The success of this endeavor is the recognition of tourism and public policy as a legitimate and desirable component of the rural economic development.

Another area that we have entered into, a third opportunity that I would like to describe, is providing access to outdoor recreation for people with disabilities. Again, the Forest Service has taken the lead with us, and one of our members from Minnesota, in designing a recreation program guide for people with disabilities. The results of that project are being shared and sponsored by other Federal land management agencies, such as the Bureau of Land Management and the Bureau of Reclamation.

The challenge of policymakers in this effort, of course, is to support providing access to Americans with disabilities without burying the fundamental values of primitive outdoor recreation experiences. We think that should be also on the agenda for the White House Conference on Tourism.

Policymakers at the Federal level can make or break new and growing industries in these fragile world economies. So I would like to take a minute to address three issues which I think are impacting—adversely impacting the outfitter industry and the types of issues that I think the conference could address.

Small recreation businesses operate on Federal and public lands under terms and conditions or permits which make creditworthiness at lending institutions very difficult. I think we have seen in West Virginia and some other areas in particular, maybe not the problem with the permitting, but these small businesses very often need some creative solutions to borrowing money. And in areas where you have outfitters operating on public lands, the terms of the permit, the short-term nature of those programs can sometimes cause some problems in having money lended.

Second, income from tourism has become a lightning rod inspiring all levels of government to attach layer upon layer of taxes and fees which threaten to kill the golden goose. And the Ocoee River, for example, we have two or three layers of fees that have increased the tax on gross revenues to 17 to 20 percent. And for seasonal businesses, that is a very big hit. And it is very difficult for many of those companies to survive, and certainly can't grow and invest in their local communities with that level of taxation.

The problem we see is that each level of government attaches their own individual revenue needs, irrespective of the total; and that is why I saw sort of a tragedy of the economics where you get over grazing on some small operators, because they are easy to isolate, as we discussed. People think they are taxing the visitors and really don't reflect on the 16 to 20 small businessmen in the area.

Finally, I think the availability and cost of insurance is becoming an increasingly intolerable burden as Federal policymakers require increasingly unrealistic coverage. An example, the Federal High-

way Administration lumps outfitters together with tour bus operators like Greyhound and required $5 million in liable coverage limits for buses that cross interstate lines; and they may not be going more than 40 miles and certainly operate on a seasonal basis. There are some other examples like that too. So we would like to see issues like that addressed.

There are a number of other issues, too. I guess one of the overall issues that we see, on Federal lands, very often many of the resource managers don't really feel comfortable with the private sector's presence on Federal lands. The Forest Service and Bureau of Land Management have done a good job in developing a spirit of partnership among the public and private sector. And we would like to see that encouraged and that the conditions for viable business operations recognized and promoted.

We believe that there needs to be a partnership, that we have to be environmentally sensitive in those areas; we can't overuse the areas certainly. But we certainly can't tolerate conditions that don't allow the normal conduct of business for the private sector.

So we think an important goal for the White House Conference on Tourism is to examine the regulatory burden on small businesses which are impeding the growth of America's tourism industry and especially in rural economies.

And I thank you for this opportunity to testify.

Mr. RAHALL. Mr. Endicott.

Mr. ENDICOTT. Thank you. I would like to thank the two Chairmen and Members of the two subcommittees for having me here today.

As you consider a White House Conference on Tourism, I would like you to take a look at using amateur sports events to stimulate the economies of rural areas. If it is all right with you, I will submit a statement for the record and just summarize my comments here.

Before I begin, I would like to note that for a period of 12 years, ending 10 years ago, I used to work for the U.S. House, and while I have not moved all the way from the staff seats to the Members' seats, I have come part way, to the witness seats. So I guess I am making some progress.

Since leaving the Hill, I have been heavily involved in the sport of white water canoeing and kayaking. I was the coach of our Olympic team that won a gold medal in Barcelona. I was also the chairman of our World Cup Committee. And in that capacity every year I had to pick sites for races from all over the world, a lot of them from rural areas.

Before that, I helped organize the 1989 World Championships in western Maryland, also a rural area.

So, because of these experiences, I was asked to come in as a consultant and help with the organization of the 1996 Olympic white water events which are going to be held on the Ocoee River in Tennessee. So it is in this connection, the organizing of sports events in rural areas to stimulate tourism, that I would like to address you here today. I think people have a concept of using professional sporting events to promote tourism in urban areas, but I think that amateur events in adventure sports have an even better connection with rural areas.

So you can get a sense of how a project like this could work, I would like to describe the one I have been working on recently, the Ocoee River project.

As you know, Atlanta, Georgia, is going to host the 1996 Olympics; but the white water events are going to be in Tennessee on the Ocoee River. This is the only medal event of the 1996 Games being held outside of Georgia. And it is a miracle that Tennessee got it, a real opportunity.

I say that because Polk County, the area where the event is going to be held, has a chronic double digit unemployment problem. More than half the land in the county is owned by the Federal Government—the U.S. Forest, and the Tennessee Valley Authority. So it makes sense that government should play a role in the economic revitalization of the area, especially since it is Congress' mandate to those two agencies in particular to foster rural economic development where they can.

Finally, the biggest industry in the county is tourism and recreation, specifically white water recreation on the Ocoee River. So the idea arose of using the Ocoee Olympics as a rural economic development project. A partnership agreement has been created with the Forest Service, TVA, the State of Tennessee, the Atlanta Committee for the Olympic Games, and the private sector, all contributing to the $26 million cost of the project.

TVA, the Forest Service, and private consultants have all studied the economics of the project and believe there will be very significant increases in tourist spending in the region due to the Olympics. They believe that between now and the Olympics, for example, there will be $63 million in extra tourist spending. And after the Olympics, they think the figures will be a lot higher. That is because, after the Olympics, the State plans to open up the upper Ocoee, which includes the Olympic site, to commercial rafting. Right now there is rafting only on the lower Ocoee.

Based on all of this, the project has gone ahead. TVA and the Forest Service are going to prepare the river site for the Games. Tennessee is responsible for operating the venue during the Games and overseeing river use after the Games are over.

The community is already excited about the project and is getting ready for the World Cup Final on the Ocoee, which is going to be held at the end of this month. So those are the highlights of the project.

I would like to summarize by saying that based on the things that I have seen in this project and the other ones I have been involved in, there appear to be five elements which are key in the success of a project like this.

The first one is there should be a demonstrated economic need. In the case of the Ocoee project, the primary justification is the high unemployment and the fact that more than half the land is owned by the Federal government.

No. 2, there should be a continuing and long-term benefit of the project. Just creating a one-time event is probably not sufficient rationale, even if it happens to be the Olympic Games.

You want to make sure that the venue is going to be used over and over again to justify the initial investment. We were able to do that in the Maryland World Championships with races leading

up to the World Championships and afterwards, including last year's Olympic trials. And in the case of the Ocoee project, not only do we have the prospect of a lot of races, we also have the rafting prospects after the Games.

The third element, I think, is making sure you start where there is already an active local group behind the project. I believe the partnership nature of government involvement in this is important. You don't want the government footing the whole bill for these projects. You want to help people help themselves. In the case of the Ocoee, there already is a long tradition of holding races there. And, of course, there is a great deal of commercial rafting. So we are not starting from scratch, we are building on something that already exists.

Fourth, I think government can be a catalyst. These projects need leadership, and I have seen government successfully provide that leadership. For example, with the 1989 World Championships in western Maryland, Maryland Governor William Donald Schaefer took a personal interest in the project, helped direct State funds towards it, and recruited Marriott and Mountain Dew as sponsors.

In the Ocoee project, both the Federal Government and the State of Tennessee have been instrumental in pulling it together.

Last, I would just underscore the point that outdoor sports work well for rural areas. Adventure sports like canoeing, kayaking, cross-country skiing, triathlon, sailing—sports for life—are becoming more popular these days but are not as suited to urban locales.

Increasing interest in the environment is causing people to travel to rural areas to see an event, especially if these are participatory, family-oriented things for them to do once they get there.

Mr. Chairman, I am not going to pretend that promoting amateur sports events in rural areas is going to solve all of this country's economic woes. But I do think it could be part of an overall picture. And I think that the government has a legitimate role to play here.

That concludes my remarks. If you have any questions, I would be happy to answer them.

Mr. RAHALL. Thank you, gentlemen, for excellent testimony presented.

Bill, let me ask you, the criteria you mentioned are very interesting for locating an event such as you have in Tennessee and in rural parts of our country.

I certainly would believe that in rural West Virginia and in Southern West Virginia, on the Gauley and New Rivers, we would meet all of those criteria. And I guess I am asking if this part of West Virginia has ever been considered for any type of major event that you are involved in putting together?

Mr. ENDICOTT. No, it hasn't. And I guess the reason is, we just haven't had a local entity come forward and push something like that. But I think it would be appropriate. I think that that could be a very good area for something such as I just described.

As I say, though, I think you need to have it start with a grassroots effort, make sure that there is a demonstrated group of people that are really pushing this thing and not have government try to create something from the outside. You put it where there really

is enough interest, because you need to sustain it long past the initial event. You need to have events over and over and over again.

So I think it is a good area, and I hope that something will come out of that.

Mr. RAHALL. So if we find these local entities at the grassroots level, economic development authorities or whatever, put them in touch with you——

Mr. ENDICOTT. For starters, sure.

Mr. RAHALL. Well, we will certainly see if we can't get that instigated at the grassroots level, not from the government of course. But we feel that there are those individuals at the local level that would be willing to put forth such proposals.

Dave, you mentioned the economic revenues that are generated by our white water rivers in West Virginia, and it is all very accurate. The latest figures that I have seen from the Corps of Engineers will put a $16 million revenue generated to our State which covers indirect—and indirect revenues at the gas stations, all the indirect sources as well, for only a six-week period, that being the drawdown on the Gauley River starting with Labor Day and going for six weeks thereafter. So I think it does show the potential for this type of tourism draw in rural parts of West Virginia and, indeed, the country.

Once we get together such an event, Bob, perhaps we can have you come down and drown your blues in such an activity. We certainly will extend that invitation to you.

Mr. JULIANO. Not deductible. I will pay for it myself.

Mr. RAHALL. Thank you.

The Chair recognizes the Chairman from Minnesota.

Mr. OBERSTAR. Well, Bob, I certainly share your deep disappointment at the outcome of the conference. Notwithstanding Mr. Abercrombie's zealous advocacy of the return to the 80 percent figure for the deductibility business and expenses, we were in and then we are out and then we are back in again, and it is not for lack of effort.

Certainly Mr. Abercrombie, whom I designated as Chair for that task force on taxes, carried the cause through the Council of Economic Advisors, through the OMB, to Chairman Rostenkowski, and to the President himself. We could go this day—this very day he put into the President's hand a folder of information with a detailed description and justification for the retention of the deduction and the impact it would have on jobs and growth within cities, and the President held on to it, looked at it, said we agree with you, we are going to work hard at this, but there are a lot of other forces out there that we have to contend with. And I think those other forces has kind of overwhelmed him, unfortunately. And we are all struggling with what to do from here.

Mr. JULIANO. I want to thank you for your efforts, and the Members of the caucus have been fantastic. I think you realize at a certain point, Jim, that after having been around a long time, people are either going to listen or they are going to do it to you. And at least from my personal viewpoint, this was deliberate; it was not a mistake. I understand English rather well, and I am going to respond accordingly.

And it is a shame, because the official attitude is that the jobs that are provided by this industry are really not good jobs. Through this whole debate, that has been the most disappointing thing to me, because I have never—I have been involved in this business since 1961 starting as a personnel clerk at the Palmer House; and you have an administration from the top saying these are jobs which subjugate people to dead-end careers. And as part of my empowerment program, we are going to retrain them to do high-tech and computer work. That is not fantasy; that is what is being said.

So we have our work cut out for us. Because I always was proud of the fact that we could provide entry-level jobs to people and have numerous stories about how people went from busboy to waiter and owned their own restaurant. And it is in every one of your districts, I am sure. And now all of a sudden there is something suspect about the jobs and about the industry. So they, at least, have my attention. And I hope that you all will consider it in that light.

But trust me, if you believe anything I say, it was not an accident. When we advanced a compromise that you all put forth, it was first for 70 percent with revenue offsets, and then 65 percent with revenue offsets. So this was not a group of amateurs. They were not dealing with Members who did not know how to play the game. So it becomes crystal-clear that at a given point, they just made the calculated decision, we ain't going to do this, we are going to go like this.

Mr. OBERSTAR. Well, I think the judgment was made more on the basis of a need for revenue rather than on the quality of the jobs. And Mr. Abercrombie certainly did find revenue offsets. And you participated in that and so did many others in this industry to find offsetting revenues that would be fair and decent.

In fact, he asked people in the hospitality industry, tell me what you are escaping in taxes that you ought to be paying and then give me your judgment as to whether a business meal deduction is more important than the other one.

When they did, he offered it; it was an accepted—it was for a time, but the pressure on revenue, as the Btu tax was dropped and the gas tax went steadily down from 10 cents down to 4.3; the need for revenue someplace else went up.

But I certainly got my own education on the other side of that issue. You know, I think it is all too often seen and portrayed very readily as a big break for the rich. You can't—you working stiff can't enjoy a business meal deduction, be carrying a lunch bucket; and that issue, as you rightly said, has been on the table since 1974. In 1974 I was elected. In 1975 it was a big tax reform bill in the making.

I was up at International Falls. I had been talking about this, we are going to finally recapture something from the people who are making off with their own revenue and not paying their fair share. And a group of hotel and restaurant employees from International Falls came to my hotel room that night, about 20 of them, and they crammed in that little room; and they said, we are going to educate you about what is a job and where it comes from.

And every one of them on Main Street and International Falls, which, as you know, is up on the Canadian border. The road ends,

Canada begins at the other side of the river. And I said, oh, yes, I begin to understand what this is all about, that while one person gets a break, someone else gets a job. And maybe it isn't so much of a break, and there is a whole lot of difference between paying people on welfare and paying people to have decent jobs.

Mr. JULIANO. Well, one last note. I am going to try to put the lessons I have learned from many of you to good use, so it is still not over. And I realize that the administration thinks they have the bill passed. But I don't think they changed the Constitution yet, and there are two bodies that have to vote on it.

So their comment to me this morning was that they have a lack in the House and they are not sure in the Senate. What I would urge you to do is two things: If it goes down, this caucus should be a major force at walking in and saying, we all agree on one thing: deficit reduction; we need a sound economy, that is what helps the tourism industry; let's do it in a more meaningful way.

The second thing is, if it should be implemented and it goes down to 50, Jim, I would guarantee you, we are back on the table in the fall once they start back down the road with the health care reform bill.

So you have your work cut out for you, and we appreciate the efforts that you and everyone and, Nick, Joe, and Congressman Petri, and others on the caucus have put forth on our behalf; and we just look forward to continuing to work with you as vigorously as we can.

Mr. OBERSTAR. Mr. Brown, I just want to compliment you on the specific recommendations that you have for issues that can and should be addressed by the White House Conference on Tourism. Excellent suggestions. We will do everything on our part to incorporate those in our further and continued presentations to the Secretary of Commerce Brown and to the White House.

Mr. BROWN. Thank you.

Mr. OBERSTAR. Mr. Endicott, your presentation about sports and tourism development, wonderful. It is a premier—I am going to take your testimony and send it to all of those in Minnesota who are involved in that same type of endeavor. It is wonderful.

Mr. RAHALL. The Chair recognizes the Ranking Minority Member of the Transportation Subcommittee, the gentleman from Wisconsin, Mr. Petri.

Mr. PETRI. I don't want to belabor this unnecessarily, but I do want to thank you for your testimony. I do have to comment a little bit on your disappointment—or outrage really—on what is happening. This is deja vu all over again, as Yogi Berra used to say. And it keeps recurring. I think part of it may be that there is a bias built into the system, the way tax issues are framed, with a static analysis.

We saw that in our area when we got the luxury, quote unquote, tax on furs. Well, I happen to represent about half the mink farmers in the United States. They don't think of themselves as highly paid—they have some clients who are, but the money comes to them. And they suffered severe economic depression, partly because of this luxury tax. It didn't hurt the wealthy, the wealthy didn't pay. The revenues went down. It didn't go up to the Federal Government.

So people start social engineering with the static analysis thinking they can stick it to someone, and all they do is hurt industries and their momentum.

I am concerned about the tourism industry, as our standard of well-being as a country. I mean we have proven communications, we have proven mobility; tourism is one of the major industries of the future, we hope. If people have more leisure time, are better educated, have more opportunities, they are going to explore different avenues of specific expression, from white water rafting to, you name it. And tourism is at the heart of that whole business.

So it strikes me as a little bit foolish to try to say it is something under a cloud. It is a great industry, and it is a growing industry. And it is something that can be very important for our country in terms of earning our way in the world as time goes on.

And you can't go anywhere, including the Capitol Building right next door, without being impressed that probably half or two-thirds of the people walking through are speaking a foreign language. It is often an Asian language these days. And it is great. They come, and they spend their money, and they learn some of what we are all about in the process.

So I think, myself, that these revenue projections are going to be woefully overstated in your case. They don't take into account the multiplier effect of the downturn, because they can't look just at what they are going to get by going to 80 percent—you go to 80 percent, and you get nothing, you lose the job, you lose the social security taxes, you lose the income taxes that that job is producing, and you don't get the revenue. I think it will be a wash, or even a minus in terms of a real calculation.

Businessmen do those sort of calculations all the time in pricing their goods and so on. Government doesn't seem to do it. And I think it leads to very faulty economic decisionmaking in the tax area. We have to do a better job of using taxes to raise revenue, rather than what seems to be happening which is a lot of social experimenting—at the cost of revenue.

Anyway, we all have our little lectures about what is going on around here and that is mine. I do have a question. If you could give any insight on Federal policies so far as wilderness area, are you pretty well reaching an accommodation? Or is that an area of tension between some in the environmental community and some in the outdoor recreation community?

You clearly want to have a pristine or beautiful environment, that is what you are selling; and you want to use it. So there has to be some tension there. If you could explore that a little bit, I think it might be helpful.

Mr. BROWN. Many of our members do operate in wilderness areas. And it is quite common for the level of use there to be more restrictive in the wilderness area than it would be in a non-wilderness area.

However, I think the spirit of partnership that we see developing in some of these agencies, in the Forest Service and BLM in particular, has enabled a more productive relationship between wilderness managers and outfitters to exist in such a way that they recognize party size, for example, is directly related to business by ability.

And while, you know, that also has to be considered in relation to the impact on the wilderness area, those two things very often are being accommodated by reeducating the users to minimize their impacts in sensitive areas, rather than eliminating the use.

So we are coming to a better understanding and probably adding more arrows to our quiver in the way to manage these areas, rather than just prohibit the uses as was done in some of the past years.

So I am optimistic that we can still have wilderness and tourism.

Mr. PETRI. Thank you.

Mr. RAHALL. Let me just respond to that, Dave, that I want to make my whole district a national park system and may still do it before it is over.

Let me just mention one other individual who is in the audience that has been very helpful to us as well in our efforts to preserve rivers not only in West Virginia but in river preservation of the great rivers of America, and that is Gouch Panikan, who is with us as well. I want to thank her for her efforts.

Gentlemen, thank you for your testimony.

Mr. RAHALL. Panel number 5 will address the issue of barriers to tourism. This panel is composed of Mr. Alan Harder of the Cherokee Nation; Mr. Harold Snider of the Society for the Advancement of Travel for the Handicapped; and Mr. John Cartwright of the Tennessee Valley Authority.

Gentlemen, we welcome you to today's hearings. I appreciate your being with us. We do have copies of your prepared testimony, and they will be made a part of the record as if actually read, and you are encouraged to summarize.

TESTIMONY OF ALLAN E. HARDER, DIRECTOR, ECONOMIC AND BUSINESS DEVELOPMENT OFFICE, CHEROKEE NATION; DR. HAROLD W. SNIDER, WASHINGTON REPRESENTATIVE AND DIRECTOR OF GOVERNMENTAL AFFAIRS, SOCIETY FOR THE ADVANCEMENT OF TRAVEL FOR THE HANDICAPPED; AND JOHN CARTWRIGHT, TENNESSEE VALLEY AUTHORITY

Mr. RAHALL. Mr. Harder, we will start with you.

Mr. HARDER. Mr. Chairman, Members of the subcommittee, my name is Allan Harder, Director of Economic and Business Development for the Cherokee Nation of Oklahoma. I am pleased to have the opportunity to testify in support of H. Con. Res. 110, urging the President to convene a White House Conference on Tourism.

I am appearing today on behalf of Principal Chief Wilma P. Mankiller and the 140,000 tribal members of the Cherokee Nation. Ours is the second largest Indian tribe in the United States and was one of the first to execute a Self-Governance Compact with the U.S. under the Indian Self-Determination and Education Assistance Act Amendments of 1988. Our tribe has developed successful education, job training, housing, health care, economic development and many other programs.

The resolution under consideration today is important to the economies of all Americans, including Indian Nations. Not only do we support the proposal for a White House Conference on Tourism, but we strongly urge the subcommittee to ensure, through legisla-

tive or report language and otherwise, that Indian Nations will be represented as a major participant in this important conference.

Mr. Chairman, the economic conditions in most Indian areas are deplorable. It is sad to admit, but conditions on Indian lands are often compared to conditions in Third World countries. The median per capita income for American Indians is $4,500 annually, according to the latest available census data. The majority of the Indian people fall within a per capita income range of between $2,000 and $4,000.

According to the most current statistical data prepared in 1989 by the Council of Energy Resources Tribes and revised in mid-1992, the Cherokee Nation's unemployment rate is estimated at 24.2 percent, more than 345 percent of the national average. Estimates are that the maximum utilization of the employed Cherokee work force could add $169 million to our tribe's gross national product. With these conditions, Indian nations generally welcome activities that enhance their economies.

To improve these deplorable conditions in Indian country, for the past two years the Cherokee Nation has worked with the Navajo Nation and many other Indian tribes across the United States to secure enactment of Indian employment and investment tax credits as part of the national effort toward economic stimulus. The Congress approved these Indian credits last year as part of H.R. 11, but President Bush vetoed that legislation. Now we are fighting to keep these Indian credits in the deficit reduction package. If enacted, these Indian tax incentives, coupled with acceptable tourism policies, could be a positive force in the enticement of tourist-related industries in Indian country, and stimulate investment activities.

As I have noted, Indian Nations are desirous and in need of new revenue sources, and tourism offers that potential. Yet most tribes will also be cautious about how tourism enhancements to their economies will be attained. Tourism that does not harm the environment, protects the culture and customs of the tribes, and whose depictions are authentic and are not exploitative would be looked on favorably. Tribal concerns in these areas reflect the fact that the tribes once owned all of what is now the United States and still see themselves as a protector. If these concerns are met positively, tribes have much to offer to the tourism industry.

The Indians feel that tourism activities should balance protection of the environment with the enjoyment of what nature has to offer. This sentiment is expressed in a quote from President Theodore Roosevelt that is used by the National Park's material for Grand Canyon visitors, and I quote: "Do nothing to mar its grandeur for the ages have been at work upon it and man cannot improve it. Keep it for your children, your children's children, and all who come after you," end quote. Similar respect for culture is reflected by the idea of leaving no footprints where you have walked. It is important that cultural events and sites that are open to the public are protected in such a way that people take with them only memories, and those memories are positive.

Where the attraction for tourists is the tribe or Indian-related activities or products, we believe strongly that authenticity should be stressed. If souvenirs are offered, efforts must be made to verify

that they are made by the local tribal crafts people. When historical reenactments are performed or sites replicated, local tribal members should be employed for the parts portrayed.

In addition to commitment to address Indian concerns, the tourism industry should be sure to include, not exclude or overlook, the tribes and tribal members as partners in the tourist activities. The interest in American Indians is very high both in Europe and in the Far East. Markets for Indian arts and crafts are growing in both areas. Indian clubs have begun in many European cities. A multi-million dollar Native American exhibit and market is being planned approximately 45 miles from Paris.

Even with this interest in American Indians from outside the United States, tribes are overlooked as potential partners in tourism. A notice of proposed rulemaking was issued by the United States Travel and Tourism Administration in Volume 58, Number 13, Friday, January 22, 1993, of the Federal Register. In the proposed rules, the Travel and Tourism Administration proposed a matching grant program for international tourism trade development. Eligible applicants were "programs which shall at a minimum involve the participation of two or more States; one or more States and one or more political subdivisions of the States; or one or more States and one or more nonprofit organizations," plus other programmatic qualifiers. Indian tribal governments are not specifically identified as eligible applicants. As tribes have discovered, unless we are specifically identified, we often are presumed to be specifically not included. If invited, most tribes would be willing partners.

Tribes also understand that the most effective economic enhancement is from income brought into a local economy from outside the area. Tourism dollars almost totally meet this definition. If tribes can be included in the positive manners I have described, the economies of tribes and surrounding areas can benefit from tourism.

Mr. Chairman, thank you again for the opportunity to testify today, and I stand ready to respond to your questions or any question from the subcommittee.

Mr. RAHALL. Mr. Snider.

Mr. SNIDER. Thank you. Chairman Oberstar and Chairman Rahall, I am delighted to be here to testify on behalf of the Society for the Advancement of Travel for the Handicapped, SATH. I am Harold Snider. I am the Washington representative and Director of Governmental Affairs for the society. The Society's headquarters are in New York.

SATH is here today to strongly support H.Con.Res. 110, a proposal to convene a White House Conference on Tourism. From our perspective, there are a wide variety of barriers to tourism which a White House Conference could ameliorate. I would like to describe several of these barriers briefly, and I would like to tell you how a White House Conference would improve tourism opportunities for persons with disabilities.

SATH is an educational charity whose sole purpose is to improve travel and tourism opportunities for people with disabilities. We have 3,500 members from the travel industry and a large proportion of our members are people with disabilities themselves.

Although the Americans with Disabilities Act was passed over three years ago and regulations to guarantee access to tourism facilities and public accomodations, such as restaurants, hotels and amusement parks, came into force on January 26, 1992, discrimination is still rampant and pervasive. For instance, in Congressman Oberstar's district, Valley Fair Amusement Park refuses to allow blind persons and other disabled persons to participate on rides in the park. Valley Fair has chosen to take the matter to court even after the State of Minnesota found them in violation of State civil rights laws.

In our opinion, the reasons for this unwarranted discrimination are simple: hardheaded, invincible ignorance and prejudice. Such discrimination would be far less pervasive if the Department of Justice was able to do a better job of providing technical assistance to travel and tourism entities who must comply with the ADA.

The Department of Justice is responsible for providing technical assistance to help with compliance for Titles II and III of the Americans with Disabilities Act. However, only a very small fraction of that technical assistance money has gone to travel and tourism entities. In fact the American Hotel and Motel Association was the only travel and tourism entity to receive a grant to provide technical assistance for its members on the ADA.

Such technical assistance must increase if our industry is to comply with this law. Congress and the executive branch cannot just pass and implement complex laws and expect instant compliance by our industry. An industry-wide education campaign must be initiated to teach the travel and tourism industry about the ADA. A White House Conference on Tourism is a good place from which to launch such a campaign.

I urge the Members of these subcommittees to include language, both legislatively and report language, which would include people with disabilities in the White House Conference.

On another matter, the United States Travel and Tourism Administration must expend some of its resources in revising the booklet the United States welcomes visitors with disabilities. SATH published and distributed over 250,000 copies of this brochure from 1984 to the present. Eight critical years have passed since I wrote and revised that booklet. Visitors with disabilities from abroad badly need current information. Since the booklet was written, the Air Carriers Access Act and the Americans with Disabilities Act have vastly changed the landscape for visitors with disabilities to the United States.

The revised booklet should be ready for distribution as an activity of a White House Conference on Tourism.

On another matter, Congressman Jim Ramstad has introduced a bill entitled the Americans with Disabilities Business Development Act. This bill would include persons with disabilities in the minority business program of the Small Business Administration.

SATH knows of many people with disabilities who own or are planning to start small businesses in the travel and tourism industry. Passage of this legislation would ensure that these businesses have a fair chance for success. However, the legislation is currently bottled up in committee. People with disabilities who own busi-

nesses within the travel and tourism industry should be able to participate in a White House Conference on Tourism with equality.

As an example of forward thinking, in an attempt to eliminate barriers to tourism, the city of Talladega, Alabama, is making major changes in accessibility to accommodate disabled tourists and retirees. This is good economic development strategy, since such accessibility costs very little. SATH encourages more cities and small towns to jump on the Talladega bandwagon. This message could be more widespread if there was a White House Conference on Tourism.

On Saturday, July 31, 1993, my friend, Mr. Rick Douglas, Executive Director of the President's Committee on Employment of People with Disabilities, was denied boarding on a United Express commuter flight to Allentown, Pennsylvania, unless he could board unassisted. Mr. Douglas, who normally uses a wheelchair, crawled up the steps of the aircraft while the crew looked on. This humiliating treatment made the front page of the Washington Post and USA Today for Monday, August the 2nd, 1993.

I urge Congressman Oberstar and the Subcommittee on Aviation to carefully investigate this matter, along with the Department of Transportation, to determine whether a change in regulations may be necessary.

On another matter, unfortunately Congress has failed to eliminate its own barriers to tourism. Although there is an Office for Special Services in the Capitol building which gives tours to visitors with disabilities, guards in House and Senate office buildings have not received specific training to work with visitors who have disabilities and who must pass through metal detectors or be given oral directions. Restaurants, cafeterias and snack bars in both the House and Senate are substantially inaccessible to many visitors with disabilities.

For instance, the ADA requires that restaurant menus be put into an accessible form either in Braille or on cassette tape or in large print. None of the restaurants, cafeterias or snack bars within the confines of Congress have such accessible menus. Restaurant staff members have not received training in how to assist visitors with disabilities. Yet Congress did not exempt itself from the provisions of ADA.

In many congressional offices, staff members who help ordinary visitors arrange tours of such places as the White House, FBI, and the Capitol do not have the knowledge or training to assist visitors with disabilities. A good access guide to the Capitol and to House and Senate office buildings is sorely needed, and SATH pledges its help in the preparation of such a guide.

Congress itself could easily eliminate barriers to tourism by complying with ADA regulations. A White House Conference on Tourism would be a good showcase for the Congress to show what it has done to eliminate these barriers to tourism.

On a personal note, I had the privilege of going to college both at Georgetown and Oxford with President Clinton. President Clinton assisted me as a blind person to become familiar with the campuses both at Georgetown and at Oxford. He remains a friend, and it is my intention to transmit my testimony and this hearing record

to the President and encourage him to be interested in fostering a White House Conference on Tourism.

Finally, the watchwords for SATH in the 1990s are accessibility, awareness, and attitude. These three watchwords sum up the barriers to tourism which could be eliminated through a White House Conference on Tourism.

We pledge to work with Congress and the executive branch of the Federal Government to make a White House Conference on Tourism successful.

Thank you very much for the opportunity to testify today, and I look forward to answering your questions.

Mr. RAHALL. Thank you, Mr. Snider.

Mr. Cartwright.

Mr. CARTWRIGHT. Mr. Chairman, and Members of the subcommittee, I wish to thank the Aviation and Surface Transportation Subcommittees for holding a joint hearing on the proposed White House Conference. In addition, I wish to thank the congressional Travel and Tourism Caucus for advocating the proposed conference.

The conference is needed because tourism creates jobs, promotes economic development while attempting to preserve our natural environment, historic places and preserving cultural sites. Tourism at its best is sustainable economic development, but there are problems and barriers.

Over the past year, I have served on a Federal tourism task force of over 12 agencies attempting to address barriers to rural tourism development. I would like to share a list of tourism problem areas that have been identified by our task force. And I would also like to share a list of potential solutions that were identified by the task force.

In terms of problems facing rural areas encountered in tourism development, let me note them:

First, environmental degradation;

Inability to respond to demand would be the second;

The third, lack of trained staff at the local level, lack of trained staff at the Federal agencies;

Lack of funds for Federal projects;

Lack of legislative direction;

Credibility of the tourist industry both within the Federal Government and in local areas;

Overlapping Federal missions regarding tourism;

No definition of "tourism" or "rural" is accepted throughout the Federal system;

Communication with local leaders by Federal agencies have been poor; and

Rural tourism is not a priority with the Federal Government.

In terms of solutions, these have been identified by the task force and they are as follows:

Provide tourism planning and development assistance to rural communities;

Provide tourism and education assistance to rural communities;

Improve credibility of rural tourism industry by defining the industry and documenting its impact;

Secure a legislative mandate for rural tourism development;

Reallocate existing funds to rural tourism projects;
Encourage public-private partnerships;
Train Federal employees in tourism development;
Encourage environmental components in all tourism planning;
Promote joint projects between Federal agencies; and
Finally, market rural tourism in cooperation with States and local organizations.

We have identified 10 problem areas and 10 prospective solutions. As you can see, the work is just beginning. Once you have identified problems and potential solutions you only have a first step.

As the next step, I support the proposed White House Conference on Tourism. Such a conference would encourage discussion of tourism issues, barriers, solutions by a broad spectrum of travel and tourism leaders such as you have seen. The White House Conference would shine a light on a vital but often neglected component of our economy. Because we cannot afford to neglect vital components of our economy, I very much support the proposed White House Conference.

Thank you.

Mr. RAHALL. Thank you, gentlemen, for your testimony today and for your patience in being here with us and the time spent.

Mr. Snider, your testimony was particularly interesting. I did not know why you—of course, Congress was to comply with ADA, but I did not know the lack of progress thus far in complying, and I do intend to make some inquiries myself to find out why that is the case.

Do you have any knowledge as to why the Congress has not been complying with ADA?

Mr. SNIDER. I think somebody dropped the ball, quite frankly. The two sponsors of ADA, Congressman Hoyer in the House and Senator Harkin in the Senate, as well as all the cosponsors, certainly knew that Congress—there was a compromise on whether Congress would or would not include itself from the provision of the act during the debate and since then, nobody—it is just simply a matter that got dropped; and I hope that the testimony today, as well as anything you guys might do, would be—would revive the issue and get some of the problems that exist up here on the Hill solved.

Mr. RAHALL. As I said, I plan on making some inquiries, and I certainly will keep you informed of responses.

Mr. SNIDER. Thank you.

Mr. RAHALL. I have no further questions. I know we have a roll call vote on the Floor, so we are going to have to stand in recess. And with that, I would excuse this panel and again thank you for your testimony today.

The subcommittee will stand in recess for 10 minutes.

[Recess.]

Mr. OBERSTAR [presiding]. The subcommittees will resume their sitting, and I apologize to the witnesses for the delay occasioned by the recent vote. I appreciate your patience.

Our next panel is on travel and infrastructure. And we will begin with Mr. Paul Verkuil, President of the American Automobile Association; Mr. Greg Pruitt, Kentucky Representative of the Board of

Directors of the Mississippi River Parkway Commission, which may be renamed the Mississippi Floodway Commission; and Mr. Joe Brinell, Director of Aviation for the M. Graham Clark Airport in Branson, Missouri.

TESTIMONY OF PAUL VERKUIL, PRESIDENT AND CEO, AMERICAN AUTOMOBILE ASSOCIATION; JUDGE GREG PRUITT, MEMBER OF THE BOARD, NATIONAL MISSISSIPPI RIVER PARKWAY COMMISSION, AND CHAIRMAN, KENTUCKY MISSISSIPPI RIVER PARKWAY COMMISSION; AND JOE BRINELL, DIRECTOR OF AVIATION, M. GRAHAM CLARK AIRPORT, BRANSON, MO

Mr. RAHALL. Mr. Verkuil, welcome. I am glad to have you with us.

Mr. VERKUIL. I appreciate that Mr. Chairman. It is a pleasure to be here on behalf of AAA. I am Paul Verkuil, the Chief Executive Officer and President of the American Automobile Association. On behalf of AAA, let me express our pleasure in being part of this joint hearing of the Aviation and Surface Transportation Subcommittees on H. Con. Res. 110 calling for a White House Conference on Tourism.

AAA has been involved in tourism for many years, in fact, since our founding in 1902. The original AAA pathfinders drove the Nation's roadways, or what passed for roadways, and collected information on road conditions, signing, mileage, time, and directions between cities. To this day, we still have our people out driving the roads an average of 60,000 miles a year, collecting information on our highways which we incorporate into our maps and other materials.

This information, of course, maintains the accuracy of our maps on a really updated basis, on a weekly basis. AAA clubs, posted the Nation's first road signs to help guide motorists from here to there and anywhere.

Now, as we approach the 21st Century, AAA serves its 34.5 million members with a wide variety of travel services. Our more than 950 full service travel agencies in the United States and Canada arrange hotel, air, tour, and cruise reservations for domestic and international travel.

AAA service centers help members plan car trips by providing a variety of travel information. Since more than 80 percent of vacation trips are by car, truck, or RV, we distribute over 250 million strip maps and over 43 million sheet maps annually. Each year AAA provides members with about 37 million tour books and travel guides covering the United States, Canada, Mexico, Europe, and the Caribbean.

AAA has reciprocal service agreements with more than 208 motoring and auto sports clubs in more than 90 countries, and all AAA clubs are authorized to issue both International Driving Permits and Inter-American Driving Permits.

In short, AAA is well aware of the importance of tourism to the U.S. economy and to the social well-being and cultural understanding among U.S. and world citizens. We therefore are pleased to be an early and strong supporter of a White House Conference on Tourism.

Chairman Oberstar, AAA clubs throughout the United States have written to President Clinton calling on him to convene a White House Conference on Tourism. Their letters demonstrate not only the breadth of support for such a conference, but also the important role tourism plays in their State and local economies. As such, I believe they add an important dimension to the discussion of a White House Conference, and I respectfully request that those letters be included in this hearing record.

Mr. OBERSTAR. Without objection, those letters will be entered in the record at the appropriate point.

Mr. VERKUIL. Thank you, Mr. Chairman.

I would like to focus my remarks today on what AAA believes would be two particularly valuable functions of a White House Conference. First, the conference could serve as a forum to discuss the very close interrelationship between tourism needs and infrastructure needs. Second, the conference could focus on technological advances in the provision of information and highlight how those advances may change the landscape in providing travel information.

Today's New York Times makes very clear the relationship between tourism and infrastructure. There is an article on how the Midwest's floods are disrupting the American tourism industry in Hannibal, Missouri. Tourism is off 80 percent. While the roads are open, people are unsure if they can get there.

And obviously important structures like bridges must be taken into consideration before tourism can function. It is clear that tourism and infrastructure are closely related.

Tourism is rapidly becoming the number one industry in the world and in this country. It is already our number one export. Yet the close relationship between our transportation infrastructure and tourism has only recently begun to emerge as a consideration of transportation policy.

In fact, the Intermodal Surface Transportation Efficiency Act, ISTEA, is the first major act overtly to call for a recognition of tourism needs in transportation planning.

A successful tourism industry is absolutely reliant on an efficient, modern, and well-planned transportation infrastructure. Transportation decisions at all levels—State, local, and Federal—have a huge impact on the facilitation of travel by people.

Mr. Chairman, you have been a long-time supporter and champion of scenic byways. Due in large measure to your leadership, a National Scenic Byways Advisory Committee, on which AAA is privileged to sit, is nearing completion of a report to Congress on how to implement a national scenic byways system.

While preservation is a strong motivation for identifying and designating scenic roads, the potential for rural economic development through tourism is a major contributor to the intense interest in developing a scenic byways system. A White House Conference on Tourism could provide a forum for discussing scenic roads programs within the context of an overall plan to develop and promote tourism within the United States.

In like manner, other important transportation policy decisions—funding, taxation, intermodalism, technology,—could be addressed in a forum that has as its goal the facilitation and growth of tourism.

Now, let me turn to travel information. As is the case with information generally, the provision of travel information is undergoing dramatic change. New technologies are being developed and implemented at a dizzying pace.

For example, using the latest technology, including satellite photography, AAA is building a digitized database of maps of the U.S., Canada, and Mexico for use in producing road maps. Maps produced through automated cartography can be revised easily using computer and laser technology.

Another new technology being tested by AAA is TeleMap, a 24-hour computerized service to provide Orlando area residents and visitors with driving directions by telephone or fax.

But the most exciting new technology with which AAA has been involved is in-car navigation, part of the Intelligent Vehicle/Highway System, IVHS. The TravTek project on which we teamed with General Motors and the Federal Highway Administration and other public and private partners combined in-vehicle navigation with highway technology such as road sensors and surveillance equipment. On-board computers provided drivers with:

Current location and best route to their chosen destination with step-by-step driving instructions;

Information on traffic jams, accidents, detours, and weather; and

Information on sports events, concerts, special events, and local attractions, and much more than that.

A complete analysis of the TravTek test is now under way at FHWA, but initial results demonstrate that tourists were fascinated with the technology and gave it high marks.

IVHS is also being studied for use in rural areas. Through the Advanced Travel Information Systems, ATIS, program, FHWA has contracted with a research group to assess the information needs of travelers in rural areas and to develop and test some strategies for meeting those needs. Safety and security are paramount concerns for rural travelers, but tourist-related information is also an important need, both to the traveler and to the rural area that relies on tourism for economic development.

How could ATIS affect rural tourism? Imagine renting a car with aftermarket in-vehicle navigation hardware. Also imagine that you can select a CD–ROM program that will guide you along scenic roads with several historic or cultural destinations and that you can rent or buy the program, by the way, in your native language. Imagine that the car is equipped with a two-way communication system which gives you access to an emergency service center. And imagine that the in-vehicle system automatically provides emergency centers with your location, no matter how far away from urban areas, or what we might sometimes mistakenly call "civilization," you are.

If you are an international visitor to this country, such technology may be the deciding factor in whether you choose to stay near an urban area or whether you venture out into the rural parts of America.

I discuss these technologies to make the point that a great deal of work is being done in areas that, in isolation, may not be considered tourism issues. But new advances in information provision

will have a major impact on the provision of travel information and that will have a lasting impact on the tourism industry.

Another focus of the tourism conference could be how to make the United States more user friendly. Through AAA's reciprocal agreements with foreign motor clubs, we have learned that although there are many reasons to visit the U.S., this is not an easy country to get around in if you do not speak English.

We have learned for example that our Triptik product is highly prized by foreign visitors who come to the U.S. because they do not have access to an equivalent product abroad.

It is ironic that America is blessed with some of the most magnificent scenery in the world, with a fascinating culture and history, remarkable transportation systems, and friendly people, but we make it hard for international visitors to enjoy the U.S. once they leave some of the gateway airports and cities. Recently AAA participated with World Cup 1994, a major event coming, as you know, next year, which will produce 3.5 million visitors and have an economic impact, as estimated by experts, to be $2.8 billion. This experience in nine major cities throughout the United States allows us the opportunity to show off our country to foreign visitors, not just in those locations but throughout the U.S., with careful planning and map products for other smaller communities in nonurban areas.

In sum, a White House Conference on Tourism is a perfect forum to bring together all the issues, policies, and technologies that will affect tourism now and in the future, but may not seem to be traditional tourism issues. What better way to assess our industry today and prepare it for tomorrow than to look at it in the broadest context and then develop policy recommendations through a fully informed process.

For these reasons, AAA strongly endorses the concept of a White House Conference on Tourism and pledges to work with you and the President to ensure a successful conference.

Thank you for this opportunity to testify, Mr. Chairman. I look forward to responding to any questions you may have.

Mr. OBERSTAR. Thank you for those very exciting ideas about developments in technology in highway navigation.

Your description on page 5 of the on-board computer is something I have longed desired. I can't tell you how many hours I have wasted in Washington traffic wondering if there wasn't some better way besides the Ho Chi Minh Trail that I was following to get to my destination.

Mr. VERKUIL. Indeed. We would love to show you some of this experimental equipment one of these days. Maybe we could borrow you from work.

Mr. OBERSTAR. I will make a date to do that. It makes me proud of my 29-year membership in AAA to know that you are doing those great things.

Mr. VERKUIL. Well, sir, we are honored to have you with us all that time. Thank you.

Mr. OBERSTAR. We are on the second call of a vote. Let me ask Mr. Pruitt if you would like to begin and we will get as far as we can with your testimony before I have to run over to vote.

Mr. PRUITT. Thank you, Mr. Chairman.

Mr. Chairman and Members of the caucus, I am Greg Pruitt and I am presenting testimony today as a member of the Board of Directors of the National Mississippi River Parkway Commission and as Chairman of the Kentucky Mississippi River Parkway. I serve now as County Judge/Executive in Hickman County and am a resident of Clinton, Kentucky.

I want to thank you for the opportunity today to present this testimony and also, Mr. Chairman, a personal thank you. As a member of the national MRPC, I work very closely with people, constituents from your State who hold you in very high esteem. It is nice to know we have friends working on the same issues as we are working on in Kentucky, and we appreciate your efforts in these areas.

I wish to testify to you wholeheartedly in support of H.Con.Res. 110 calling for the President to convene a White House Conference on Tourism. I will present this testimony in the context of the 50-year history of the 10 Mississippi River States' cooperative efforts to achieve interrelated tourism and transportation goals.

I wish to also briefly comment on the importance of Federal support for regional international marketing programs, the ongoing Mississippi River National Heritage Corridor Study, and the need for tourism disaster relief due to the recent Mississippi River flooding.

The Mississippi River Parkway Commission was established in 1938 at the urging of the governors of the Mississippi River valley to promote attention to the resources of the valley. The National Commission is comprised of individual State commissions in each of the 10 States and the Canadian Province of Ontario, and consists of legislators, county officials, and general members of the public appointed by the governors of the 10 States.

The early planning efforts of the Commission in cooperation with Federal, State, and local officials, led to the development of a scenic parkway along the Mississippi River known as the Great River Road. The concept of the Great River Road was initiated to develop a Mississippi River highway corridor which would provide access to the river's major scenic, historic, and recreational areas while preserving the special quality of life in the river valley.

To date, over $1.3 billion in Federal, State, and local funds have been spent on various highway and amenity projects along the Great River Road. While Congress had provided funds specifically earmarked for the Great River Road, now the States must compete with other interests to obtain their share of ISTEA funding. So far, the Great River Road is benefiting from this new funding program. The Great River Road was also one of the case studies in the development of a national scenic byways program.

In my home State of Kentucky, we have greatly benefited from the Great River Road program through the development of numerous highway and amenity projects. Rehabilitation of interstate bridges, raised highway systems, and projects such as restored historic buildings and construction of recreational river facilities are all examples of the way Kentucky has benefited from this program. These transportation and tourism-related projects contribute substantially to regional economic development.

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In recognition of the benefits that tourism can provide and the substantial investment which has been made in the Great River Road, the Commission has developed and implemented a variety of Mississippi River and Great River Road marketing programs. Domestically, the Great River Road is seen as a tremendous tourism asset that is promoted as a destination by the Commission, State and local agencies, and private businesses.

Mr. OBERSTAR. We are going to have to interrupt there. I apologize. We are down to three-and-a-half minutes remaining on the vote.

I will vote and return as quickly as I can. There may well be two votes here.

[Recess.]

Mr. OBERSTAR. Mr. Pruitt, you were about halfway through your testimony. As I feared, we had not one but two votes. Please pick up on your testimony, one of my favorite subjects, the Mississippi River Parkway Commission, and your views and contribution on tourism.

Mr. PRUITT. I will pick up where I left off there.

Recent estimates place the value of tourism expenditures in the 125 counties along the Great River Road at $10 billion per year.

In Kentucky, tourism is vital also to the economic health of our State. In 1991, direct spending on tourism had a $5.3 billion impact on our economy, while supporting 32,000 jobs for Kentuckians. The Mississippi River and Great River Road are important vehicles by which we can attract visitors and improve economic development.

Internationally, the Mississippi River and the Great River Road are also seen as a tremendous asset that can also significantly impact the economy of our 10-state region. In cooperation with the U.S. Travel and Tourism Administration and the tourism offices of the 10 States, we have launched a three-year international marketing campaign designed to bring international visitors to our region.

People throughout the world may not know much about our individual States, but they have all heard of the Mississippi River, and most of them want to see the Mississippi River.

We are beginning to see some very real and concrete results from our tourism marketing efforts, and we place a very high value on the support that we receive from the Federal Government. It is a little distressing to note, however, that the United States ranks low in the world with respect to the amount of money spent on official programs to attract foreign visitors.

As Congress considers this proposal to support a White House Conference on Tourism and in balancing the many worthwhile needs of this great Nation I hope it will take steps to increase funding of U.S. Travel and Tourism Administration programs that are so helpful to regional destination marketing organizations such as the MRPC.

In addition to marketing the Mississippi River and the Great River Road, we are also seeking to place increased attention on the resources of the River Valley through the potential designation of a Mississippi River National Heritage Corridor.

At the request of Congress, we are working closely with the three-year study of the Corridor Study Commission to complete an inventory of the resources of the River Valley and to make rec-

ommendations on the feasibility of such a corridor designation. This study should be complete in June of 1994.

Congress is currently considering an appropriation for the Mississippi River Heritage Corridor Study Commission for fiscal year 1994. In light of the importance that this study will have in raising national awareness of the tourism and transportation resources of our region and our Nation, we ask for your continued support of this important heritage corridor concept.

Finally, I would be remiss in my testimony about the importance of tourism and transportation for the Mississippi River States if I did not mention the disastrous affects on tourism by the recent Mississippi River flooding.

There is substantial damage to crops, homes, and property along the river. Additionally, damage has resulted from the national and international perception that everything is closed and under water. As most of us here know, this is far from the truth. Most all the major attractions, hotels, roads, airports, and recreational sites are still open for business.

Nevertheless, the perception that our entire region is under water is causing a serious tourism crisis for our region in addition to the other major economic losses.

Convention and visitor cancellations are causing millions of dollars in lost tourism revenue now and probably more in the future, which affects us from border to border in these 10 States.

At this point, I would relate just a very personal story in regard to the flooding. I have an eight-year-old son who is an avid baseball fan, and we had promised all summer to take him to the stadium in St. Louis and see the Cardinals this Monday evening and then would leave St. Louis early the next morning in order to get to the airport to fly here for this testimony.

But because of the impending problems in St. Louis, leaking flood walls and flood walls reportedly leaning and other such problems, we decided that if we were to get into St. Louis, there was at least a problem, a possibility that we might not be able to get out in time to get here. So we do have a little personal experience and personal knowledge that there is a negative impact on the tourism industry now, and maybe more so in the future.

This story that my colleague here has shown you this morning is very on target in terms of what is going on in St. Louis and in all parts of the river region.

In Kentucky, we don't know what the final result will be. And the crest continues to rise and farmland and other amenities continue to go under water. So we appreciate this caucus's knowledge and help in that regard.

Consequently, I would urge Congress to seriously consider supporting tourism disaster relief funds for those Mississippi River States to offset this loss of tourism to the region, consistent with relief funds in other emergency areas.

I am also aware at this point, since being here the last two days, of the efforts of this caucus in attempting to secure such funding. And we want you to know we appreciate that effort on behalf of those 10 Mississippi River States.

As you can see through the activities from the historical development of the Great River Road, the domestic and international mar-

keting of the Mississippi River, the Mississippi River National Heritage Corridor Study and the effects of the national disaster of the Mississippi River flooding, there is a tremendous relationship in our States between tourism and transportation and we think nationally also. Cooperation with and among Federal, State, and local units of government as well as the private sector has been and will continue to be the key in achieving our recreational and economic development goals.

As a result, the Mississippi River Parkway Commission sees a White House Conference on Tourism as a way to elevate, to a new height, the importance of tourism and transportation in our Nation. There is much we can learn from others with shared experiences, just as I hope others can learn from our experiences in promoting the Mississippi River and the Great River Road in our 10 States.

Only through increased national attention on tourism, transportation, and economic development, which we feel will result from a White House Conference on Tourism, can we better address the economic problems and challenges which face this Nation now and in years to come.

Again, on behalf of the 10 States involved and the efforts of the MRPC, I wish to thank you for your efforts in our behalf and for the opportunity to testify here today. And I will be more than happy to entertain any questions that the committee might have.

Thank you, sir.

Mr. OBERSTAR. Thank you very much for those very thoughtful comments and the really keen insight and the statistics on the economic impact to the counties along the Great River Road. It is the first complete estimate I have seen, and I have been involved with the Parkway Commission since my start here as an administrative assistant almost 30 years ago. And you have documented it well. I appreciate it very much.

Mr. Brinell, with a wonderful story to tell us about Branson, Missouri.

Mr. BRINELL. Mr. Chairman and Members of the committee, my name is Joe Brinell; and I am the Director of Aviation for the College of the Ozarks, which is located in Point Lookout, Missouri, which is just across the river from Branson, Missouri, which most of you have heard of. This is located in the 7th district where Mr. Mel Hancock is our representative.

Point Lookout, Missouri, is adjacent to the second most popular tourism spot in the United States according to the National Tourism Council and the AAA in 1992. According to the Missouri State Tourism Commission, Branson had approximately 5 million visitors visit the area. In 1993, the estimates are that we will have approximately 6.2 to 6.5 million people in our area.

In the past 20 years, there has been one small airport, which is owned and operated by the College of the Ozarks, that served this fast growing tourist area. The College of the Ozarks Airport has seen a substantial growth in the past 20 years. We have about 75,000 operations per year which is up approximately 36 percent from last year. We are the third busiest airport in the State of Missouri, excluding the Kansas City and St. Louis airports. The airport is a vital link for several companies that operate in the Branson community, and it is essential to the ongoing business conducted

in Branson by a large number of outside companies. Approximately 60 percent of our air traffic is tourists. Forty percent is for business reasons, which is directly related to the tourism industry.

Seeing the need for expanded transportation, the College of the Ozarks entered into an agreement with a firm called Branson Airlines in January of this year to provide air service to the community. The airport went through some extensive renovation and recertification process to accommodate the airline. The airline began operations July 9th of this year. The airline operates under federal Aviation Regulation part 121, which is the air carrier regulation.

They operate a 48-seat passenger aircraft called de Havilland–7, which is also called a S.T.O.L. aircraft, which is "short takeoff and landing." The aircraft can operate safely off of the college's 3600-foot landing facility. The airlines are projecting that in the first year of operation they will board approximately 125,000 passengers at the Branson location. The projections for the second year of operations will be approximately 175,000 boarding.

At the present time, Branson has two flights daily from St. Louis and Kansas City and one flight daily from Nashville and the Dallas/Fort Worth area. There are already plans to increase these flights at this early stage.

There are surface transportation problems that are unique to our part of the country. These include a landscape of the hill country which makes it especially difficult to build easily traveled roads. While improved surface transportation is important and ongoing as a result of the Ozark Highland Road called the Reliever Road, air transportation is special to the rapidly growing entertainment and the tourism business.

Without this airport, I don't think that the entertainment business, which is now rated, depending on who you listen to, as the country music capital of the world. We have 63,000 theater seats located in Branson, Missouri. The entertainers use our airport exclusively so that they can come and go to their various performances.

There are several large convention facilities that are being planned for the Branson-Tri Lakes Community. The success of these convention centers will require easy access to air transportation for their clients. I believe that without air transportation that this area would not develop as rapidly, nor would it continue to be able to expand to its fullest potential.

The presence of several industries—one happens to be the Factory Merchants Malls and other thriving tourist centers—can be directly attributed to the convenience of an airport. As the success of Disney World proves, access to air transportation is key to sustained and long-term growth in the community.

What can this committee do to help the aviation industry? Well, they can do several things. Mainly, they can help our work through the FAA, encourage the FAA in some instances to relax some of their rigid requirements that they have and help develop—help small communities such as ours develop airports that will allow tourism to grow. We are not only unique. There are other parts of the country in the western states and places like this where air transportation is needed.

Now, the Federal Aviation Administration does a wonderful job in their international airports. I would say that 90 percent plus of the foreign travel comes in by air. Without it, you would not have a decent foreign tourism. Therefore, we need to develop our infrastructure, our smaller airports in the smaller communities, which can be done if the FAA would get more realistic in their terms and demands on what they need.

Another system that needs to be looked at is some of the navigation systems. And the ones that they have in progress right now is the GPS, Global Positioning Systems, where we get all of our information from satellites. This system is in place, but for some reason they are dragging their feet on certifying it for general use.

Also, I don't know exactly where the 4.3 cents sales tax relates to the fuel; I understand that the aviation industry is going to be exempt from that for at least two years. They don't need any more burdens. We can pick up any newspaper across the country today; we can listen to any news report and the aviation industry is taking a beating. And without this industry, the tourism would suffer greatly.

Thank you.

Mr. OBERSTAR. Well, thank you, Mr. Brinell, for the very timely insight into and explanation of what is happening at Branson. It bridges two areas, both the tourism that we are looking at, and the aviation interests that I have as Chairman of the Aviation Subcommittee.

I have to comment on your observations on GPS. We just concluded a hearing last week on Global Positioning Satellite, and we had a display of all of the technology available. And contrary to what many have said, the FAA, at least this time, is ahead of the curve, not behind it.

They have prepared the way with regulations, regulatory schemes, and framework and a certification process that is completed before the technology itself is perfected. And that is one of the rare times they have done so.

They have extensive testing with two major air carriers on aspects of GPS and the need for more technology on the ground to refine the signal and to specify arrival points to less than 100 meters. And 100 meters isn't quite good enough. You have to get it down to a matter of inches. And with the new ground sensors and rectifiers, that is going to happen. And, in fact, it is already in place and being tested.

It is an exciting technology, however. And it has tremendous promise for the future, for not only aviation, but for surface transportation. The Secretary of Transportation testified on the subject illuminating the uses for transit systems so that they can keep track of buses; for rail systems, where you can keep track of various kinds of rail cars in various locations around the country, freight cars, I am talking about; and for determining movements of traffic in congested areas.

There are just so many applications of the Global Positioning Satellite concept. A staff member of our aviation subcommittee who has her pilot's license and was in Bolivia in uncharted land, flying her own single-engine airplane in a remote area of the country was

able, with GPS, to detect and land at an airfield that didn't appear on any chart.

It is a tremendous technology. I just wanted to set the record straight, that it is moving ahead. FAA is ahead of the pace, and often they have not been.

The use of short takeoff landing aircraft at your airfield is also an aspect of technology this subcommittee has been very strongly pushing. And that is vertical as well as short takeoff landing aircraft. The V–22 Osprey, which holds great promise for a reduction of holding time, of hours now lost because airspace is congested, because ground facilities are not adequate. And with that 300-mile radius on major congested points on the East Coast, we can tremendously increase the capacity of airports without having to pour more concrete, without having to further stress the air traffic control system and convert this technology from military application to civilian application, and what I think would be a far shorter period of time than to develop this aircraft for all of its military applications.

I don't want to digress further, but tourism and technology also go together.

Mr. BRINELL. Very much.

Mr. OBERSTAR. And the one supports the other. And we have to use all of those resources to take the best advantage of the opportunities ahead of us.

Mr. Rahall.

Mr. RAHALL. Thank you, Mr. Chairman.

Mr. Brinell, you gave very interesting and familiar testimony from experiences that we are having in the tri-state area of Huntington, West Virginia, which involves Kentucky, Ohio, and West Virginia, those three States.

It appears that in your particular situation, you have a relatively small airport that is handling increased demand for transportation access; is that correct?

Mr. BRINELL. Yes, that is correct. We built our airport back in 1970—or that is when it was dedicated. And it was primarily for the college's use and for our administrators to travel.

Branson closed their airport a couple of years later, and we just kind of inherited the community airport. And as a result, it has grown to unproportional sizes and uses that we never had dreamed of.

Mr. RAHALL. So that now there is a demand for a larger airport?

Mr. BRINELL. I would say so, or at least to improve or lengthen the one that we have. We had a study done on that about two years ago, but we ran into some difficulty with the FAA and some of their very stringent guidelines that they felt that our airport could not meet.

I can see that possibly on a new airport, but we were just asking for an expansion of the existing one. It can't be too unsafe. It has been there for 23 years, and we have never had a fatality there. We have had a few incidents occur, but it was not a result of the airport.

Mr. RAHALL. Have you had expressions of interest from the airlines for increased service?

Mr. BRINELL. Oh, yes. I would say since we entered negotiations and made a commitment to this one airline, we probably turned down six or eight others that, one, either couldn't meet our criteria or that the airport didn't meet their criteria.

But, yes, there was a big demand. I mean the second largest tourism spot in the Nation. I think a lot of people want a piece of that action.

Mr. RAHALL. Well, we are finding ourselves in kind of a Catch-22 situation, in that the airlines are not expressing any interest or saying that they are not going to provide additional service until increased business activity occurs in the area or more businesses move in.

And businesses then are saying, well, we are not going to move in until the airlines move in first. So that is the situation we find ourselves in, whereas the demand is there and the FAA studies even have shown that the demand is there for increased transportation services.

So we are kind of trying to get not only a larger airport but also the airlines interested in coming in there. We feel strongly that we could satisfy their minimum requirements or whatever is necessary for them to adequately serve the area and meet their needs at the same time.

Well, I have forgotten what else I had. I guess that is what I wanted to ask.

Thank you. No further questions, Mr. Chairman.

Mr. OBERSTAR. Mr. Pruitt, you urged increased funding for the U.S. Travel and Tourism Administration. And we did, in the tourism caucus leadership, propose an amendment to increase the funding after the subcommittee, appropriations subcommittee had reduced, from $20 million to $17 million, the budget request of the Clinton administration.

Now, that got tangled up in another jurisdictional fight between the authorizing committee, Energy and Commerce, and the Appropriations Committee; and unfortunately, the amendment did not pass.

I think if it had been offered in its original form, as conceived by the caucus, that we would have prevailed; but we got caught up in a side fight. And one aspect of that side tangle was this new initiative that the authorizing committee wrote into the law to establish a cooperative marketing program between USTTA and the States.

This would have been the first full year of operation. Fiscal year beginning October would have been the first full year of operation of that program. It has functioned on sort of a demonstration basis.

Have you had experience with the cooperative marketing program? Or could you comment on it?

Mr. PRUITT. Mr. Chairman, I have not, in Kentucky. I would be interested to speak with the director of the MRPC, Mr. John Edmond, and see what his awareness is on that issue. In Kentucky I am not aware of any such partnership. There may exist one.

Again, we appreciate your efforts on our behalf in that regard.

Mr. OBERSTAR. Well, the idea of the cooperative program is that it would be a supplemental, that USTTA would be the lead agency overseas; but States could join in a pool of three, four States, in

some cases five States or multi-county groups under State jurisdiction, receive a grant for travel promotion, again overseas, but supplemental to that of USTTA and targeted to a region or a unique scenic area in the country.

Mr. PRUITT. I believe the MRPC as a region has attempted to work with that program, but I would have to check that to see, sir.

Mr. OBERSTAR. It would seem to be ideal.

Mr. PRUITT. Yes, sir.

Mr. VERKUIL. I was just going to add, Mr. Chairman, you might also examine the prospect of private/public partnerships with the USTTA. We have talked to them about providing maps, Tour Books, and even perhaps TripTiks in a way that inbound visitors could have access to them through the major centers that the USTTA serves. We want to help USTTA to encourage tourists coming to this country to extend their visit and to visit new locations, to spread out the tourists and to give them a better sense of the United States.

Mr. OBERSTAR. We will pursue that with USTTA. Thank you for the suggestion.

Mr. VERKUIL. Good. Thank you.

Mr. OBERSTAR. Very good to have all of you with us today. Very, very much appreciate all of your splendid contributions.

TESTIMONY OF ANTHONY J. TIGHE, INTERGOVERNMENTAL AFFAIRS SPECIALIST, NATIONAL ENDOWMENT FOR THE ARTS; CHERYL M. HARGROVE, DIRECTOR OF HERITAGE TOURISM, NATIONAL TRUST FOR HISTORIC PRESERVATION; AND CALETHA M. POWELL, EXECUTIVE DIRECTOR, GREATER NEW ORLEANS BLACK TOURISM NETWORK, INC.

Mr. RAHALL. Panel No. 7 of the day deals with Historical Preservation and Cultural Attractions.

The members of this panel are Mr. Tony Tighe, National Endowment for the Arts; Ms. Cheryl Hargrove, Director of Heritage Tourism, National Trust for Historic Preservation; and Ms. Caletha M. Powell, Executive Director, Greater New Orleans Black Tourism Network, Incorporated.

Ladies and gentlemen, we welcome you to the subcommittee's hearing today. We do have copies of your prepared testimonies, and they will be made a part of the record. You may proceed as you desire.

Mr. Tighe, do you want to start?

Mr. TIGHE. Good afternoon. It is a pleasure to be here to talk a little bit about the attraction side of the tourism industry and, in particular, in a special way, about how the arts are part of the attraction of our country. I would like to start with a quick story that illustrates of the role that the arts can play in tourism.

You know, I am sure, the Smithsonian Folklife Festival which is one of Washington's major tourist attractions; one of the folklorists there told a story about the time that musicians from Ghana were performing on a stage and heard some African-American fife and drum players from Mississippi coming by and playing a tune.

The Ghanians responded to the tune as they knew it as, basically, a funeral dirge, which is what it was in their history; and

they began gesturing to the players in a gesture of sharing their grief.

Well, as you can imagine, there was a fair amount of confusion. When the two groups began to discuss, to talk about what was going on, the Mississippians discovered more about the roots of their own music in Ghana. And the tourists who were standing around watched, clearly, an extraordinary exchange of people discovering something about each other and their relationship.

I think we have all had experiences like that as we travel. We remember the first time we saw Half Dome in Yosemite or the Statue of Liberty in New York Harbor. But there are also many times when we have that little accidental thing that occurs. It is frequently people and often their arts that bring it home to us.

I should mention that the Arts Endowment gave a Heritage Award to Othar Turner, a fife player and maker from Mississippi. I confess I certainly learned something when we did it, because I was totally unaware of that tradition. It is fascinating to discover these facets of the different communities in our own Nation.

You have heard, I know, all through the day about the size of the tourism industry. Folks tend to not think of the arts as an industry, but they are. When John Naisbitt wrote in *Megatrends 2000,* he predicted that the second most important trend for the decade would be the renaissance in the arts. He noted that this is a spiritual quest, but its economic implications are staggering. He pointed out that for people now committed to personal fitness programs, spectator sports hold less allure. They prefer to spend a Sunday afternoon at a museum, rather than watching football on TV.

In fact, the Bureau of Economic Analysis reports that in 1990 Americans spent more on live entertainment, theaters, operas, and other nonprofit institutions than on spectator sports. There may not have been 60,000 of them in the stadium all at one time; but overall, they were spending more money. The creative arts industry employs more than three million people and accounts for nearly 6 percent of the Gross National Product.

But what is the relationship of these two industries, the arts and tourism? Well, I think the example of the Smithsonian Folklife festival, captures that for you.

Our research on cultural activities by Americans indicates that the prime predictor of participation in the arts is the level of education. Obviously, you don't have to have a formal education to enjoy the arts or to be an artist; but the odds are that if you have gone to college or graduate school, you will be more interested in the arts. What your profession is and your level of income has a direct impact obviously on the kinds of arts you may choose to spend your money on.

In 1946, when World War II was over, the baby boom started. Those at the leading edge of the baby boom now have some gray hair around their temples. They are getting closer to 50 than to 40; their children are growing up; they own their house; and as Suzanne Cook of the U.S. Travel Data said, one of the most important things they can do now is collect experiences. And both travel and the arts offer that for them.

The key statistic about baby-boomers here is that more than one in four of the baby-boomers has had some graduate education, versus one in five in the general population. So we can anticipate a higher level of interest in the arts and in cultural tourism.

There are few statistics that directly link the arts and tourism in the United States, domestic cultural tourism. But D.K. Shifflet and Associates did one pass at that in 1991, and their results indicated that 30 percent of all U.S. households while on a trip visited an historic site, district or building; 24 percent visited an art gallery, and 25 percent went to a festival or craft fair.

The U.S. Travel and Tourism Administration, which is an extraordinary source of information on international tourism, including cultural tourism, says that 40 percent of the travel market from the United States' four major markets are interested in cultural activities, USTTA's 1991 in-flight surveys of people who actually had been to the United States from an overseas country indicated that almost 25 percent went to an art gallery or a museum, almost 17 percent a concert play or a musical.

Visiting a gallery or museum ranked 9th out of 18 activities. And the performing arts was ranked 12th out of 18. But I have to point out that even skiing was ranked something like 10th or 11th. It is all relative. Even a small piece can be a significant market.

Earlier today you heard from a representative of New York City. If you think about cultural tourism in the United States, it is hard not to think about New York City. The Port Authority of New York and New Jersey did a survey some years ago that indicated that more than half of the visitors who came to New York did so because of its reputation for the arts or extended their stay an average of two days because of the arts. That represents something like $5.6 billion in revenues and 117,000 jobs.

But cultural tourism is not limited to New York. Cities like Pittsburgh have cultural districts. Cities like Santa Fe have extraordinary reputations for chamber music, opera, and Native American arts. New Orleans is known for its rich jazz heritage, and on and on.

Then there are summer performing arts festivals like Tanglewood or Saratoga or the Aspen Music Festival or the Spoleto Festival which, in Charleston, has a direct economic impact of more than $12 million. Perhaps even more significantly, it has given South Carolina, and Charleston in particular, a very "top-of-the-mind" position for tourists on the East Coast.

Culture attracts visitors not only to cities, but also to small towns and rural communities. The Endowment is participating in the National Initiative on Rural America its the Rural Tourism Task Force that John Cartwright from the Tennessee Valley Authority discussed earlier.

Culture in rural areas—dance, music, theater and the visual arts, as well as a wide variety of museums—has a very important part in defining the sense of place. I will cite one example. Our Folk Arts Program gave grants to the Folklife Institute of Central Kansas to prepare exhibitions on Swedish woodworking in the town of Lindsborg and to the Kansas State Historical Society for a traveling exhibition on custom made cowboy boots. Cowboys were paid at the end of the trail; still had money in their pockets, they

would buy their boots right here in Kansas. Such exhibitions serve two purposes: first, they reinforce the sense of history of the people who live there; and, second, they provide an opportunity to share that history with visitors.

You may recognize a few rural cultural organizations funded by the Arts Endowment that are, in fact, tourism attractions. Horse Cave Theater in Kentucky; Lime Kiln Theater in Lexington, Virginia; Cresson Lake Playhouse, Ebensburg, Pennsylvania; Old Creamery Theatre Company in Garrison, Iowa; Appalshop in Whitesburg, Kentucky; An Appalachian Summer in Boone, North Carolina; the Festival at Sandpoint in Idaho; the Music Festival of Arkansas in Fayetteville; Amana Artists' Guild in Iowa; and the Cowboy Poetry Festival in Elko, Nevada, which is suffering from almost too much popularity. The list goes on and on. And I think I will just cite, if I might, two that are unusual for the Endowment.

We don't often give grants to economic development organizations, but Mississippi came to the Arts Endowment concerned about the economic conditions in the Delta. The Delta gave birth to, logically enough, the Delta blues; but, basically, people who wanted to make a living singing the blues were having to leave the Delta.

The Endowment gave a grant to the Mississippi Division of Tourism Development to increase tourism in the Delta region. Our motivation was, of course, to preserve the Delta blues as an art form; their motivation was the economic development that tourism would represent.

Another partnership that relates to tourism is between our Design Arts Program and the Soil Conservation Service. One of the disciplines Design Arts represents is landscape architecture; the program placed three such architects with the Soil Conservation Service, one with the Golden Hills Resource Conservation and Development Office in Iowa. Mimi Askew worked with a number of citizen task forces to develop a series of scenic byways traversing the Loess Hills. That is probably not something you think of when you think of the Arts Endowment, but it is a project that has been very successful and may be expanded.

Native American arts, of course, are a major tourist attraction, as you heard earlier from the gentleman from Oklahoma. The Red Earth Festival in Oklahoma City brings nearly 2,000 artists and performers and nearly 160,000 visitors to Oklahoma city.

I would just like to mention that the Endowment had the pleasure of working with USTTA on its first national conference on rural tourism. We also had the pleasure of having our Acting Chairman speak at the Greater New Orleans Black Tourism Network's conference in New Orleans. And we had the pleasure of giving a Challenge Grant to the National Trust for Historic Preservation to begin its Heritage Tourism Initiative.

That is just a happy coincidence in terms of the panel members. They are not typical activities for the Arts Endowment, but I am certainly glad we did them.

We look forward to building our interest in tourism, specifically to help arts organizations get more earned income from tourists; at the same time, providing more income for individual artists and preserving the culture of this country. Thank you.

Mr. OBERSTAR. Well, Mr. Tighe, we need this testimony—if the Chairman would yield—we need this testimony the next time the funding for the Endowment for the Arts is on the House Floor to offset some of the rapid rhetoric that comes out of the far right.

I just said to the executive director of the tourism caucus that this is the most wonderful recitation of direct linkage between arts and economics, between cultural activities and economic impact, that I have ever seen.

You have brought it altogether in one place, and it is a wonderful story to tell. And it is one that I assure you will be used the next time we are on the Floor with that issue.

Mr. TIGHE. Thank you, sir.

Could I tell one last story. We also have heritage awards—well, I mentioned the heritage awards. We have a concert in September of our heritage awardees. It is at Lisner, and it is an event that is absolutely extraordinary.

I won't forget the year we gave an award to a Polish nun who did lace work. She was approaching 90 years old. She couldn't believe that anybody would take notice of what she had done. They had a lot of trouble convincing her to come. After the concert, there was a bus outside with Wisconsin license plates—people in the town were so proud of her that they rented a bus and came all the way from Wisconsin to see her at the Heritage Award concert.

Mr. OBERSTAR. That is wonderful.

Mr. RAHALL. Ms. Hargrove?

Ms. HARGROVE. Thank you for the opportunity to speak in support of a White House Conference on Tourism on the behalf of the National Trust for Historic Preservation. A White House conference would bring leadership and public policy concerns to the burgeoning tourism industry. Of special interest to the National Trust is the proven effect that historic sites have on tourism and the impact—sometimes positive, sometimes negative—tourism has on historic sites.

There is no question that tourism is a growth industry. Today, though, I would like to describe how heritage sites play an important role in this industry.

Mr. Tighe has shared a lot of statistics with you regarding the arts. But I would like to talk about a couple of specific examples that demonstrate the impact of heritage tourism, which includes Charleston, South Carolina, where last year's month-long series of historic home and garden tours contributed $67.5 million to the local economy. Galveston, Texas' Dickens on the Strand, a two-day Victorian celebration, contributes $3.8 annually to the local economy, an impact of 106 full-time, year-round jobs directly attributable to non-island visitor spending. Six of the top 10 attractions to the State of Texas are historic sites. In Denver, Colorado, my home, the number one sight-seeing activity during a vacation to the mile-high city is visiting a landmark or historic site.

There are over 750,000 historic sites included in the National Register of Historic Places. While many people may not consider the United States old or Graceland, Elvis Presley's home, a historic site, in comparison to other countries throughout the world, our heritage is obviously valuable to the traveling public and provides a unique educational experience for visitors.

As heritage sites have helped generate additional tourism dollars for communities, tourism is important to heritage sites. Often, admission receipts represent a substantial percentage of an historic site's operating budget. Events such as historic house tours, reenactments, and special exhibits provide key opportunities to fund raise and recruit members for non-profit historical societies.

Tourism also provides the opportunity to educate consumers on the importance of preserving the past for the future and to help tell the story of our country's development and growth into a world leader.

Finally, a key benefit of successful heritage tourism is usually increased community pride as residents experience a connection with their past. Therefore, these buildings provide insight to the social studies of an area through architecture, commercial use, and association with early residents.

As visitors travel to experience a community's unique heritage, local citizens take a fresh look at the special sites that set them apart from every other place; and residents take notice that something, perhaps previously taken for granted, actually has great value. It is this pride from residents that protects historic places better than any other government program.

If the U.S. is to compete in the highly developed and global tourism arena, focus on our unique heritage can provide areas a marketing edge. Yet, many communities need special assistance in getting historic sites ready for visitors. They need direction on resources available to develop the infrastructure to support enhanced visitation, specifically through State and Federal funding sources such as ISTEA.

Community leaders need guidance on how to market these treasures to interested audiences. Perhaps most importantly, planners need instruction on how to protect these special places—the visual document of our country's development and diverse culture—so future generations can experience and enjoy them. Local organizers need instruction on what forms of tourism are most appropriate for their area, how to interpret their historical message, and share their cultural richness so that the experience is educational rather than exploitative.

Many cities and regions that have strong tourism programs—such as Amish areas of Lancaster, Pennsylvania or Nappanee, Indiana—need assistance on how to sustain tourism economies without negatively impacting local residents. Other areas of the country, such as Iowa's silo and smokestacks in the Midwest, want to diverse agriculturally-based economies through new niche tourism opportunities and need assistance on how to develop sustainable tourism products.

Congress created the National Trust nearly 50 years ago to preserve historic sites in the public interest and to educate citizens about history through historic places. Our mission is to foster an appreciation of the diverse character and meaning of our American cultural heritage and to preserve and revitalize the liveability of our communities by leading the Nation in saving America's historic environment.

Our work in the tourism field, which I direct, is a key aspect to our work through our regional and field offices, our publications,

and our historic properties to carry out our charter and our mission.

In 1989, the National Trust, with the assistance of a grant from the National Endowment for the Arts, launched the heritage tourism program to assist communities in their protection and promotion of heritage resources—battlefields, historic houses, Spanish missions, industrial plants, farms, Native American dances, African-American art—the unique heritage that constitutes a marketable commodity for communities in search of new economic activity.

During the past four years, with this demonstration program—the National Trust worked with the regions in Indiana, Tennessee, Texas, and Wisconsin to provide technical instruction on how to develop and market historic and cultural resources for visitors, how to preserve and promote. The measurable results netted in 16 areas around the country demonstrates that heritage tourism is a successful strategy for economic growth while preserving for the future.

These four states, as Sandra Fulton of Tennessee mentioned this morning, have continued heritage tourism programs because of the increased interest by so many areas waiting for specific instruction on how to develop their heritage resources for tourism.

A recent publication produced by the National Trust with funding from American Express focused on the lessons learned and provides basic instruction on how to get started in heritage tourism.

Over 3,000 guides have been distributed during the past six months to communities and civic leaders across the country. The need for assistance is great. The need for continued and more defined technical assistance is even greater.

With places like Embarrass, Minnesota, the silos and smokestacks region, and the City of Philadelphia calling and asking for help, the demonstrated interest in heritage tourism ranges from inquiries by major newspapers like the New York Times, magazines, and national organizations on specific ethnic tours and historical trails to individual sites that have a story to share with visitors.

A White House Conference on Tourism can enable local leaders to understand the need for preservation as well as promotion and to develop and implement strategies that provide opportunities to increase jobs and local economies without compromising historic sites, cultures, or residents' quality of life.

Additionally, the conference can address how to partner to create linkages along scenic byways and heritage corridors, not just to encourage use of roads and appreciation of vistas, but also to encourage stops at places to eat, purchase indigenous crafts, and spend the night so that sustainable tourism programs are developed to provide measurable economic growth in metropolitan cities, rural areas, and your town, USA.

A vital component of the conference could be a special session on how to develop public-private partnerships that generate new jobs, create new business opportunities and enterprises, and provide unique educational experiences for the pleasure traveler.

Clearly, a White House conference can be a forum to set national policy through support of the United States Travel and Tourism Administration that will strengthen the travel industry and the economy in general, improve local quality of life through increased

services and cultural attractions, and protect treasured, irreplaceable resources for the future.

Thank you for your attention and the opportunity to share information on the important role of America's heritage to the tourism industry and to our future.

Thank you.

Mr. OBERSTAR. Thank you.

Mr. RAHALL. Ms. Powell, we are going to have to break for about 10 minutes while we go over and answer this roll call vote. And then we will come back and hear your testimony.

The subcommittee will stand in recess.

[Recess.]

Mr. RAHALL [presiding]. The subcommittee will resume its sitting. We had a series of votes on the Floor.

Ms. Caletha Powell.

Ms. POWELL. Thank you, Mr. Chairman. I am Caletha Powell, the Executive Director and a cofounder of the Greater New Orleans Black Tourism Network and a founder of the Multicultural Tourism Summit and Trade Show. I am a newcomer to the hospitality and travel industry and appreciate the opportunity to be present before such a distinguished panel today.

On behalf of the Greater New Orleans Black Tourism Network, we wish to thank the Congressional Travel and Tourism Caucus for their proposal to initiate a White House Conference on Tourism. Further, we would like to thank the U.S. Travel and Tourism Administration Deputy Under Secretary designee, Leslie Doggett, for providing an opportunity for us to present to you today.

You have received all of the numbers highlighting the importance of this fast growing industry, so I will not be redundant. Instead, we will emphasize for you the importance of a new untapped market that is of interest to domestic and international visitors alike, the minority market. Such new market development could benefit eminently from a White House Conference on Tourism.

Multicultural tourism development is a key component to any new market trend of the 1990s for the hospitality and travel industry. The phenomenal surge of interest in minority culture throughout the south is testimony to that fact. African American heritage tourism is firmly established as one of the fastest growing economic development segments fueling the rapid growth of the tourism industry in the United States.

In its final report to President George Bush in 1990, the Lower Mississippi Delta Development Commission, chaired by then Governor Bill Clinton, called for a Delta African American Heritage Trail.

The Delta Region acts as a microcosm of the African American experience in this country by representing all forms of expressive culture—music, folklife, literature—a wealth of historical sites from all ways of life and all significant eras from slavery to freedom. While this region is uniquely positioned to develop African American heritage tourism, this heritage is severely underutilized by State tourism programs. Many African American community heritage projects and interpretive facilities of high quality exist in the region and yet no linking mechanism such as signage or brochures

is available for the traveler. The Delta Region has been missing an enormous opportunity.

African American culture and the preservation of the sites significant to its history are luring tourists to the south. This scenario can be duplicated nationwide. Some examples include our historically African American institutions such as Tuskegee Institute in Alabama where over 400,000 visitors toured in 1992. In that same year, the Civil Rights Memorial in Montgomery, Alabama, attracted over 200,000. The National Civil Rights Museum in Memphis, Tennessee counted over 130,000 visitors in its first year of inception. The Civil Rights Institute in Birmingham, Alabama, which opened in November of 1992, reached 100,000 visitors in June of 1993. The King Center in Atlanta also attracts several thousand visitors per year. And we think this is an overwhelming testimony of the demand for culture.

History and culture are being preserved across this country with little knowledge of the tourism marketing tie-in for economic development, which Chairman Oberstar so illustriously pointed out to us, that the distinguishing factor between tourism and economic development essentially is one and the same.

A White House Conference on Tourism can direct the leadership and technical assistance necessary to provide major economic impact for both urban and rural areas.

Louisiana has an unparalleled opportunity to become the number one destination for domestic and international leisure, convention, and business travelers of all races who are interested in African American heritage, clearly the largest segment of the expanding cultural tourism market in the United States.

New Orleans is the engine that fuels our State with its cultural attractions, events, music, food, folklore, folk life, art, architecture, educational and cultural institutions, civil rights legacy, diversity, and cultural heritage dating back to 1709.

Attracting over $4 billion a year to Louisiana, visitors most often come from Texas followed by the residents of Mississippi, Florida, Alabama, Georgia, and California. The average stay of the party is 3.9 nights in Louisiana with 70 percent staying in hotels and motels and spending an average of $674 during their stay in the State. Foreign visitors to Louisiana are most likely to come from Canada, Mexico, Germany, France, England, and Japan.

There is major growth opportunity in multicultural tourism development for the State and the Nation. Interfacing with the local convention and visitors bureau, governmental and political entities and other pertinent organizations within the hospitality and travel industry, the Greater New Orleans Black Tourism Network, a nonprofit organization, has successfully provided a strong liaison between the industry and its underutilized market segment, the minority market.

The Greater New Orleans Black Tourism Network has amassed a professional cadre of businesses within the minority community, including some start-ups, that provide quality service to the industry and have also been instrumental in assisting the organization in the successful implementation of its mission. The Greater New Orleans Black Tourism Network has sought the assistance of USTTA from its inception in 1990. In a collaborative effort to assist

the growing demands of the multicultural tourism development coming into our office from across the Nation, a partnership has evolved. USTTA has participated with the Black Tourism Network in its annual Multicultural Tourism Summit and Trade Show that my colleague from the Endowment of the Arts mentioned earlier. They provided educational seminars on the international travel market.

Currently developing a model institute for tourism research and training for frontline employees with a management certification program in tourism, GNOBTN has elicited funding support from USTTA and the Minority Business Development Agency.

The Greater New Orleans Black Tourism Network has formed linkages in Africa, Brazil, and the Caribbean for mutual benefits in culture, education, and trade. Partnerships being established with other nonprofits, such as the Africa Travel Association out of New York City and the Travel Industry Association of America here in Washington, D.C., will enable the Black Tourism Network to achieve in every area of minority tourism development. With the lack of minority research being a major drawback at present, the U.S. Travel Data Center will collaborate with the Black Tourism Network to provide relief in this crucial area of need.

We would like to thank you very much for the opportunity to present the multicultural perspective here to you today, and we challenge you to assist us in cultivating a leadership role for this country, and therefore request that you move posthaste to convene a White House Conference on Tourism.

Thank you again. I will be happy to answer any questions that I can for you.

Mr. RAHALL. Thank you very much, ladies and gentleman, for your testimony this afternoon and your patience in being with us for the greater part of today.

I want to commend you as well, Ms. Powell, for the excellent brochure that you put together on the Greater New Orleans Black Tourism Network and what certainly is first-class production.

Ms. POWELL. Thank you, Mr. Chairman. I would like to mention a couple of things that I think would be well to consider for the agenda of the White House Conference on Tourism.

As I indicated earlier, we created this organization in 1990, about three years ago, basically to improve the articulation process between the minority community there—which at the time was about 52 percent; now up to about 65 percent, and the convention and visitors bureau.

Since that time, we have received calls and requests from over 17 cities across the Nation asking us to share information because they recognize the need to utilize their minority community resources, but haven't quite figured out how to bridge the gap between the existing CVBs and such nonprofit organizations like the Black Tourism Network, in achieving this goal.

So we feel that a White House Conference on Tourism would certainly assist in providing the direction to many cities that can fully utilize all the human resources available within their respective communities.

Another point I think that would be important to include on this agenda would be the impact of racism and crime on the image of

tourism development within respective cities. We know what happened with the Miami boycott when Mandela was snubbed. We know what happened in L.A. with the riots and the dollars that had to go into that community to try and appease or bridge the gap between lack of opportunity and opportunity. So we feel that there is a direct correlation between inner-city employment and opportunities within the growing, lucrative hospitality and travel industry.

So I think those two points, if we could include those on the agenda, would certainly be very helpful with providing some direction.

Mr. RAHALL. You spoke favorably of the partnership, I believe, as you described it between yourself and USTTA. Are there recommendations for other actions you feel USTTA ought to be taking that they are not taking?

Ms. POWELL. As a matter of fact, in 1991 I think it was, when we created the Multicultural Tourism Summit and Trade Show, which is a national conference, was to raise the consciousness level of the opportunities within the hospitality and travel industry for minority tourism professionals, both in the hotel industry as well as the restaurant and other areas or components of the industry.

We sought, at that time, assistance from USTTA in pulling that together and asked them to come in to assist us in providing some educational seminars. You will see, in fact, the brochure for this year in your packet. I wanted to share that with you so you could see the kind of educational topics that we address during our summit.

We found that there were very few who could assist us in this direction. And we recommended to USTTA that perhaps they might consider developing some type of internship program that would allow community leaders to get the necessary education and knowledge about minority tourism development and perhaps that could spur some additional activity throughout the country. We looked at that very closely at the time.

The funds were not available at USTTA for them to consider such a program. But we think that would be certainly a viable participation by USTTA.

Mr. RAHALL. Very good. Thank you again.

Ms. POWELL. One last point I would like to make, if I may, the gentleman spoke this morning about how you get awareness out about the value and importance of the hospitality and travel industry. One of the things that we have been looking at in New Orleans and especially through the Greater New Orleans Black Tourism Network, since we are creating the research and tourism training institute which is primarily for frontline employees, we have been asked by the CVB to consider creating a comprehensive education and training program for the hospitality travel industry.

A major consideration would be to go into the public school system and talk with them about incorporating hospitality and travel into their curriculum, because as our children receive education on certain things of interest, so goes our influence as parents. We are swayed by our kids, the things they like and enjoy. And, of course, we have the hospitality, restaurant, and tourism programs at the university level, but nothing at the high school, junior high school

level. We think that hospitality and travel is certainly important both in employment as well as business ownership opportunities.

And I think to look at incorporating it into the public school system, as well as the private school system, would be valuable.

Mr. RAHALL. Thank you.

Chairman Oberstar.

Mr. OBERSTAR [presiding].

Does the City of New Orleans and does your Greater New Orleans Black Tourism Network do advertising promotion overseas?

Ms. POWELL. We have not delved into the international market with the exception of doing some things jointly with our convention and visitors bureau. When we initiated this organization three years ago, we created a working relationship between the CVB and GNOBTN and to that extent, we have visited Africa, Brazil, Mexico, and a couple of international countries and talked with persons there about the viability of a relationship. We are looking, and in fact we just hosted, Pow–Wow in New Orleans in May; and one of the things we were hoping regarding this marketing program that was announced to kick off in October that we could enter into such a relationship with USTTA because we did discern a very keen interest in those countries, especially for the African heritage and culture. And with New Orleans culture being so close to that of both the Caribbean as well as African countries—Senegal and Gambia. For example, as well as Brazil—it is certainly something we would like to consider.

Mr. OBERSTAR. There is also the French connection, or that France has made a great point of encouraging travel—tourism between France and New Orleans, and they have encouraged French language development programs in New Orleans. So you have many facets, many opportunities that link overseas travel with tourism potential in New Orleans.

But your point about the White House Conference, that it should include a multicultural component, I think that is a very, very good suggestion.

I would like to ask Mr. Tighe and Ms. Powell—I am sorry, Ms. Hargrove—what role there is in the USTTA foreign promotion program for arts and humanities? Have you been involved with any such promotional activities by USTTA?

Ms. HARGROVE. Yes, we have. And I might mention that we have worked closely with USTTA in the rural tourism development program and also with the multicultural conference which is scheduled for March of next year, along with some of the training workbooks utilizing the fact that we have been working with Native American reservations, working with African American communities, also working with rural communities, corridors that link ethnic roots back to Western and Eastern Europe, and how their experiences could tie in to those specific markets and have cultural exchanges. And working to provide that information is good case study documentation for other communities to follow as examples.

We have also worked—because the National Trust itself owns historic house museums around the country, including the Frank Lloyd Wright house and studio, and we worked with other properties in the Midwest to look at international media tours, as well

as group tour opportunities, to come in and explore those heritage tourism travels that are thematic rather than just regional.

So we have been working closely with USTTA.

I also might mention that my former life has been in tourism. I used to work for Travel South USA, which is the oldest and largest regional travel promotion in the country; and it is in 11 States, and they do quite a bit of work, and we have very close ties with USTTA. So I continue those relationships and now can share them with historic sites around the country.

And one of the things that I think is most important, as was mentioned earlier, is that many communities that are just getting started. Many heritage sites don't know if the resources are available, so it is making them aware of USTTA, making them aware of the State tourism offices and the kinds of opportunities that are available that they can tap into, not to reinvent the wheel. And that is a particularly important role that we see at the National Trust as we go out and work at the local level.

Mr. OBERSTAR. Very good. And Mr. Tighe, your ranking of actual activity of visitors to the United States is very intriguing. It is quite a survey conducted here. And yet it suggests that historical places, cultural activities such as concerts, plays, musicals or an art gallery rank rather far down the scheme of things. Is that because there really isn't much effort made in tourism promotion by USTTA overseas on those aspects of America? Is there more emphasis given to our natural forests, national parks or outdoor activities?

Mr. TIGHE. I think that is probably a fair statement. I think, in sympathy with the USTTA, that part of the issue, particularly for performing arts events, is how far ahead arts organizations plan, whether they know what will be in a theater or in a museum far enough ahead to match the print schedule for travel promotion brochures. But that is the kind of thing that needs to be worked out between arts organizations and the tourism industry.

I think Cheryl mentioned Travel South. One thing I would like to explore with USTTA is some regional promotion efforts, because there are both regional arts organizations and regional tourism groups. Their members are not always identical, but I don't think that is an insurmountable problem. For instance, the regional person for USTTA who handles Latin America was at the National Assembly of Local Arts Agencies conference to speak about tourism, and we are now trying to follow up with him on promotion of arts groups to Latin American tourists.

A lot of this has been informal. I should mention that USTTA captures such good statistics on cultural tourism in part because we were around them along enough that they started to get tired of hearing from us, so they put the questions on the survey.

Mr. OBERSTAR. Good for you.

Mr. TIGHE. The other observation. Snow skiing is seventeenth on the overall market in terms of activities, but snow skiing is a fairly significant industry attracting overseas visitors. Also, if you look at the rankings, the USTTA added a number of activities that are fairly commonplace things that tourists do, so all the other rankings went down a bit. But 25 percent of overseas visitors going to a museum, and 17 percent going to a concert, play, or musical—

that is still a significant number of people. And cooperative marketing effort involving the USTTA and U.S. arts organizations could certainly increase those figures.

Mr. OBERSTAR. Yes, that is, and it could be much greater if they were concentrated in a program. I think that is something we need to factor into the focus of a White House Conference and into the USTTA efforts, promotional program overseas.

Ms. HARGROVE. Mr. Chairman, if I may? One of the invaluable services that USTTA provides is the knowledge base to local sites about what the international visitor wants and needs in a travel experience, because not only is it important to market overseas, but to make sure that they have the appropriate services translated, signs, the interpretive message in their own language or something that is sensitive to their own culture that provides the best quality experience, so not only do they come and experience heritage sites and cultural events, but they come back.

And that is a very important role that USTTA has provided through the world tourism conference is helping sites that are just beginning to get involved in tourism, especially tourism to international visitors, to understand what their responsibility is as a site—when to be open, currency exchange, very important, very fundamental elements in our roles, but certainly necessary to make a quality travel experience for any kind of visitor.

Mr. OBERSTAR. Well, thank you very, very much, all three of you. You have given us a great deal of food for thought. I very much appreciate your effort in putting together the items and your presentation here today.

Ms. POWELL. Thank you.

Mr. OBERSTAR. Mr. Chairman, I think we will call the last panel and perhaps it would be best to go vote and conclude.

Our panel on tourism and environment includes two very fascinating presentations by Jerry Mallett, President of the Adventure Travel Society, and Mr. David Gorin of the National Campground Owners Association.

TESTIMONY OF AND DAVID GORIN, EXECUTIVE VICE PRESIDENT, NATIONAL ASSOCIATION OF RV PARKS AND CAMPGROUNDS

Mr. OBERSTAR. Mr. Mallett is not here. I have his prepared statement for the record.

[Mr. Mallett's prepared statement follows:]

PREPARED STATEMENT JERRY MALLETT, PRESIDENT, ADVENTURE TRAVEL SOCIETY, INC.

I am Jerry Mallett, the president of the Adventure Travel Society, A private corporation that assists countries in establishing adventure travel and promoting eco-tourism as a sustainable industry. I am very pleased to submit this hearing statement for the record as I consider tourism a critical and valuable economic and social resource in the United States and worldwide.

Many people today will address the importance of tourism within the United States. In the western United States, the region that I have been involved with for approximately 25 years, it is either the first or second largest industry of every state. The greatest value of all the Federal lands, Forest Service, Bureau of Land Management (BLM), National Park Service and Bureau of Reclamation is found in outdoor recreation and related tourism.

My concerns are in the area of world tourism. Each year, the Adventure Travel Society Produces the world Congress on Adventure Travel and eco-tourism. This

year the Congress is in Manaus, Brazil. In 1994, it will take place in Tasmania, Australia and in 1995 it will be in the Bahamas with future world congresses pending in six additional countries.

Tourism is now the world's largest and most important industry. In many countries, it is the only viable industry.

Its importance is based on the critical, immediate income that is generated by tourism. This situation did not exist even as recently as five years ago. But today, nearly every country in the world is placing tremendous importance and is moving very quickly to have it become their number one industry.

There will be tremendous competition for United States travelers to go abroad and for foreign visitors to schedule destinations other than in the U.S.

The United States has always considered tourism as a valued, not a primary industry. But today it is one of the U.S.'s most importance industries.

It is important that the White House consider a conference on tourism. With proper management and foresight, tourism will be one of the few sustainable industries. It is also a key economic benefit of rural America and it affords an alternative to overcrowded cities to search for employment.

America has seen its automobile and electronics industry move overseas. These important industries should not have left the United States.

The U.S. traveler and our outstanding destinations are the envy and desire of every country, worldwide. In order to maintain this industry at its current levels and to consider growth, it is important that the White House convene a tourism summit meeting at the earliest possible date.

Mr. OBERSTAR. Mr. Gorin. You may proceed.

Mr. GORIN. This is a great opportunity. I presume you prefer I not take Mr. Mallett's time as well.

Mr. OBERSTAR. All that we give, you have our full time and attention. Please proceed.

I think we had better leave to go to the House Floor—this is the second bell—before you get started. We will recess at this time.

[Recess.]

Mr. OBERSTAR. The subcommittees will resume their sitting, and we will hear from Mr. Gorin. We thank you for your patience while we had this last vote.

Mr. GORIN. Thank you very much for your perseverance. I am sure it has been a long day for you and for Mr. Rahall and the Members of the committee.

I am David Gorin of the National Association of RV Parks and Campgrounds, the only national association that represents commercial outdoor hospitality facilities in the United States. I want to congratulate you on your wisdom in saving the best for last. As an American experience, we look at the camping and RV experience as the fulfillment of a dream and the creation of memories that last for a lifetime as they go out and see this great country of ours.

We join with all of those who have been here earlier today in applauding your efforts and those of the many distinguished colleagues who are working along with you to encourage the President to convene a high-level White House Conference on Tourism. We believe that an increased national focus on travel and tourism, as a most important economic factor in our country, is critical and that a White House conference would serve to accomplish the purpose of highlighting this industry.

Perhaps, had this conference been held in recent years, we wouldn't be looking at some of the onerous tax provisions in the reconciliation bill that you will be dealing with later on today or tomorrow or later this week.

My purpose today is to specifically address the issues of tourism and the environment. Werner Braum, Senior Vice President of the Ramada International Hotels, was quoted in a recent publication entitled Tourism and the Environment, published by the Travel Industry Association of America, as follows:

> There is an old saying that if you are not part of the solution, you are part of the problem. I suggest that those of us in the tourism industry must develop a proactive stance in protecting the very assets it so heavily relies upon. It must assist in creating an environmental policy that encourages and strengthens the goal of sustainable development.

The tourism industry has a responsibility to maintain the natural beauty of this country and to take a proactive position to assure that all environmental concerns from disposal of hazardous waste to water quality to clean air to clean beaches to preservation of wildlife and vegetation are addressed.

The travel and tourism industry will feel the impact if these concerns and many others are not appropriately addressed by both American citizens and the government at every level.

It is just this reasoning that necessitates the inclusion of serious discussions of tourism and the environment in the proposed White House conference, and we would urge this committee to be certain to include this subject as a high priority in its planning and recommendations.

In the travel and tourism industry today, ecotourism has become the buzzword of the 1990s and for good reason. Let me offer just a brief definition on ecotourism in order to further set the stage.

Ecotourism practices minimize environmental impact by encouraging tourists to tread lightly on the earth;

Ecotourism practices minimize the impact on, and maximize the respect for, host cultures whether in urban areas or undeveloped regions of the world;

Ecotourism practices maximize economic benefits to host communities without causing environmental disruption or lasting negative impacts; and

Ecotourism practices maximize the recreational satisfaction of the visitors.

In summary, ecotourism is a balancing act that seeks to balance the environmental imperatives, visitor satisfaction, and host needs.

My written testimony that I have submitted to the committee contains some of the key findings of a Travel Industry of America report on travel and the environment, and it sets forth a framework for considering this important issue. I recommend that report to you, Mr. Chairman, as a valuable source of data concerning the relationship between the consumer, business and the environment, and the economic connection between the greening of the world's population and tourism.

The industry I represent, campgrounds and RV parks, is taking a number of steps to make a positive contribution to our environmental needs as we recognize that campers demand a clean, safe, and protected environment in which to enjoy the treasures of America's great outdoors. Campground operators and most campers subscribe to the three Rs—reduce, reuse, and recycle—and have long practiced these three cardinal rules of environmental sensitivity because they make good business sense to the campground op-

erators and practical sense to the consumer. We use recycled papers and participate in local environmental projects in the area where our national headquarters are located. We strive to set an example and provide leadership through our national association policies.

Until recently put out of business by the current administration, our association was an active partner in Take Pride in America, a national volunteer effort to keep America clean and beautiful. We had a national awards program to recognize member participation in local Take Pride projects, and our national directors annually participated in an environmental project in conjunction with national meetings. We are very unhappy that this program is no longer part of the Department of Interior, as it had a very wide base of support and was well organized in all 50 States in the Union.

Our national camping promotion, Go Camping America, promotes environmentally safe camping and RVing through the camping vacation planner, of which we distribute more than 2.5 million a year.

And finally, we conduct seminars and provide opportunities for members to share experiences in how they are making the camping experience more environmentally acceptable.

The travel industry, like the rest of the world, is at a crossroads. All indications are that the 1990s will be the first truly "green" decade and the businesses in the travel industry can become either the victim of this growing environmental concern or its beneficiaries. Indeed, each American travel and tourism business will either be a victim or a beneficiary of this awareness.

How we adapt to the new realities, how we balance tourism development with environmental protection and enhancement, and how we embrace and implement policies and strategies will determine whether we are victim or beneficiary.

As we are poised at this crossroads, the White House Conference on Tourism could have a significant impact on whether the U.S. travel industry is established as an environmental leader rather than a reluctant follower.

I thank you for this opportunity to discuss our views on tourism and the environment and hope that when you are successful in bringing about a White House conference that this issue will be a prominent part of the conference. I hope that you and your colleagues enjoy your upcoming recess and invite you all to plan camping trips with your families to enjoy America's great outdoors and the environment.

Thank you very much.

Mr. OBERSTAR. Well, thank you very much. That is a pleasant way in which to conclude the day's testimony. I wish we could take you up on that invitation, but we probably—with a district the size of mine, I know I have to travel faster. I have to charter small aircraft to get from one end of the territory to another.

I did use a camper one year, though, for covering my territory and we camped at a campground. We made good use of the many such facilities in my district.

I noticed in the report presented by the National Endowment for the Arts—accompanying that testimony, that is—the report on

ranking of actual activities, a survey conducted by the USTTA, camping and hiking, 15 percent; hunting and fishing, 18 percent. If you go touring the countryside, that is another 5 percent. I won't include national parks, historical places, but just those three show a very significant interest, one of the highest, in activities where your association would have facilities to support tourism that is outdoor oriented and environmentally based.

Do you know if the USTTA advertises abroad on the themes that you have addressed in your testimony? Have you been a part of any of their activities and witness to any of their informational and promotional campaigns?

Mr. GORIN. Not really. I think I would have to say in terms of USTTA promotion of camping and the outdoor environment in this country, it has been limited primarily to promotion of the U.S. Forest Service, the national parks, and the public lands. I am not really sure that in the private sector the camping industry and the RVing industry is tied into that promotion as it probably ought to be, and I think there is a lot of room there for improvement.

Mr. OBERSTAR. Are foreign visitors to the United States caught up in the American interest in campers and use of campgrounds, renting RVs, for example, and traveling about the country?

Mr. GORIN. It is a substantial part of the summer business, yes, particularly mostly in the—east of the Mississippi, European visitors flying into points of entry on the East Coast and camping up and down the East Coast and in towards the Midwest. It is a very heavy part of the summer business.

Mr. OBERSTAR. They are not necessarily point-to-point flying from France or Germany to a particular point in the United States and staying there, but are willing to rent RVs and travel our great scenic areas?

Mr. GORIN. In this particular area right here in the Washington metropolitan area, overseas visitors to campgrounds within a 50-mile radius of Washington make up about 16 percent of the July and August camping business.

Mr. OBERSTAR. That is very impressive.

Mr. GORIN. It is. It is. Quite to the surprise, by the way, I may add, of the gentlemen who owned some of these facilities until they started tracking it about three or four years ago. They were unaware that it was that large a percentage.

Mr. OBERSTAR. Have you made USTTA aware of this?

Mr. GORIN. We are a small organization with limited resources. We have not targeted too much. I just have a very full plate of things sometimes. That is one of the things that hasn't gotten the attention.

Mr. OBERSTAR. We will see that they are aware of that, the very significant impact of your membership's contribution to economic growth through tourism, and make sure that in the USTTA promotional program that some attention is paid to this very important area.

Mr. GORIN. Thank you. That would be very helpful.

Mr. OBERSTAR. I really think they should do that.

Chairman Rahall.

Mr. RAHALL. Thank you, Mr. Chairman. I have no questions, Mr. Gorin, only to compliment you. I appreciate your testimony and the

manner in which you have recognized, participated in, and fought very hard to become a beneficiary of, rather than a victim of, the decade of environmentalism, as you have described it.

Your efforts in recycling and those of your membership, and your other strong efforts to participate in this cleanup of our environment is to be commended.

Mr. GORIN. Thank you.

Mr. OBERSTAR. Mr. Gorin, we thank you for your presentation and your contribution and your patience for waiting throughout our very long afternoon with the repeated interruptions with votes on the House Floor.

Mr. Chairman, I want to thank you for participating and lending the prestige of the Surface Transportation Subcommittee to the very important economic sector and the issue of travel and tourism. They go hand in hand, as people have repeatedly said, throughout our testimony today.

This is—and, secondly, this joint hearing is unique in the history of the Public Works Committee. We have not had these two subcommittees joined together in a common hearing on a subject of overlapping interest to each subcommittee; and I think with the splendid testimony of the witnesses, that we will have compiled an enviable record of information, a compendium of data for travel and tourism that will be useful for this industry—for those who study it, who want to develop it—and for the advancement of the cause of a White House conference or a national economic summit on tourism.

Mr. RAHALL. Mr. Chairman, I appreciate your leadership in this regard and would add only one word to what you have stated in regard to travel and tourism, and that would be jobs—travel and tourism and jobs—and we heard that theme throughout today; and I am very optimistic about such a White House conference being convened with you in the forefront of it, thanks to your efforts and those of the travel and tourism caucus.

Thank you.

Mr. OBERSTAR. Thank you.

The Chair asks unanimous consent to include in the record a press statement by the Secretary of Commerce, who could not be with us today.

[The press release referred to follows:]

[Press Statement by the Secretary of Commerce]

Secretary of Commerce Ronald H. Brown said today Rep. James L. Oberstar, D–Minn., displayed foresight and leadership in convening a hearing on the travel and tourism industry before the House subcommittee on Aviation and Surface Transportation.

The day-long hearing was called by the Congressional Travel and Tourism Caucus, chaired by Rep. Oberstar. Discussion will concern legislation he introduced which would express the sense of Congress that President Clinton should convene a White House Conference on Tourism.

"As a result of tourism's contribution to the vitality of our nation's economy, I believe a national summit on tourism is both timely and important," Brown said. "International travel to the United States is one of our largest products, ranking ahead of agricultural goods, chemicals and motor vehicles. It is a powerful, underutilized economic tool for development of our nation's resources in the areas of tax revenue and job creation in major tourism destinations as well as rural and culturally diverse areas of the United States."

Brown said recent data released by the U.S. Travel and Tourism Administration prove that tourism's importance is clearly evident.

Travel and tourism is the world's largest composite industry and a major contributor to global economic development.

In 1993, travel and tourism (that is, worldwide domestic and international travel expenditures) is expected to generate more than $3.5 trillion.

World travel and tourism generates approximately $300 billion in direct, indirect and personal taxes each year, more than 6 percent of total tax payments.

"Probably no country in the world has a greater comparative advantage in tourism than the United States. Tourism—domestic and international—is an important source of income, foreign exchange receipts and employment," Brown said.

Domestic and international travelers spent $380 billion in 1992 in the United States on air, bus, taxi, cruise ship and rail travel; hotel, motel accommodations and camping; food and drink; retail purchases and amusement and recreation services. That amounted to an estimated 6 percent of U.S. Gross National Product.

In 1992, 5.9 million U.S. jobs were supported by spending from domestic and international travelers, making the travel industry the second largest employer in the United States, behind health care.

In the last decade, the travel industry created jobs at twice the average of all U.S. industries.

International arrivals to the United States totaled 44.5 million in 1992 and are projected to be 49.1 million by 1994 (a 10.1% increase).

In 1992, international travelers spent a record $71.2 billion in the United States. This generated a $20.4 billion surplus for the United States in travel trade exports.

With regard to jobs, payroll, and taxes generated, estimates of the impact of international tourism spending in the United States for 1992 include: Jobs generated, 946,000; payroll generated, $14.5 billion; total taxes generated, $7.2 billion; Federal taxes generated, $3.7 billion.

Expectations for 1993 are that more than 46 million visitors will come to the United States and spend $77 billion. Projections for 1994 estimate international arrivals to total 49 million, producing more than $84 billion in international travel receipts. Combined U.S. domestic and international travel receipts for 1994 are expected to exceed $404 billion.

Mr. OBERSTAR. And finally I want to thank our Executive Director of the Travel and Tourism Caucus, Halle Czechowski, and her assistant, Katy Ruth, who worked so diligently for so long to put together today's hearing.

The subcommittees stand adjourned.

[Whereupon, at 5:26 p.m., the subcommittees were adjourned.]

PREPARED STATEMENTS SUBMITTED BY WITNESSES

Testimony of

Joe Brinell
Director of Aviation
M. Graham Clark Airport
Branson, Missouri

Before the Subcommittees on Aviation and Surface Transportation
Committee on Public Works and Transportation

August 4, 1993

Mr. Chairman and Members of the Committee,

My name is Joe Brinell and I am Director of Aviation for M. Graham Clark Airport located at the College of the Ozarks in Point Lookout, Missouri.

Point Lookout, Missouri is adjacent to the second most popular tourism spot in the United States according to the National Tourism Council. In 1992, according to the Missouri Tourism Committee, Branson had approximately 5 million people visit the area. In 1993, the estimates are that we will have approximately 6.2 to 6.5 million people. In the past twenty years, there has been one small airport which is owned and operated by the College of the Ozarks that served this fast growing tourist area. The College of the Ozarks Airport has seen a substantial growth in the past twenty years. We have about 75,000 operations per year which is up approximately 36% from last year. This airport is a vital link for several companies that operate in the Branson community and essential to the ongoing business conducted in Branson by a large number of outside companies.

Seeing the need for expanded transportation, College of the Ozarks entered into an agreement with a firm called Branson Airlines in January of this year to provide air service to the community. The airport went through a recertification process to accommodate the airlines. The airline began operations on July 9, 1993. The airline operates under Federal Aviation Regulation

part 121 de Havilland - 7, which is a S.T.O.L. aircraft that stands for short field take off and landing. This aircraft can operate safely off of the college's 3600 foot landing facility and has a seating capacity of 48 passengers. The airlines are projecting that in the first year of operation that they will board 125,000 passengers at Branson. This projection for the second year of operations will be 175,000 boarding. At the present time, Branson Airlines has two flights daily from St. Louis and Kansas City and one flight daily from Nashville and Dallas/Ft. Worth.

There are surface transportation problems that are unique to our part of the country. These include the landscape of the hill country which makes it especially difficult to build easily traveled roads. While improved surface transportation is important and ongoing, air transportation is essential to the rapidly growing entertainment and tourism industry. There are several large convention facilities that are being planned for the Branson - Tri Lakes community. The success of these convention centers will require easy access to air transportation for their cliental. I believe that without air transforation that this area would not have developed as rapidly as it has nor will it continue to be able to expand to it's full potential. The presence of the Factory Merchants Malls and other thriving tourist centers can be directly attributed to the convenience of the College of the Ozarks airport. As the success of Disneyworld proves, access to air transportation is key to the sustained and long term growth of a tourism industry.

AMERICA OUTDOORS

TESTIMONY

OF

DAVID BROWN
Executive Director
AMERICA OUTDOORS

ON

H. Con. Res. 110
White House Conference on Tourism
(Panel on Rural Economic Development)

BEFORE THE

SUBCOMMITTEES ON AVIATION AND
SURFACE TRANSPORTATION

HOUSE COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION

AUGUST 4, 1993 -- WASHINGTON, D.C.

P.O. Box 1348 • Knoxville, Tennessee 37901 • Phone (615) 524-4814 • Fax (615) 525-4765

TESTIMONY OF DAVID BROWN, EXECUTIVE DIRECTOR, AMERICA OUTDOORS

Chairman Oberstar...Chairman Rahall, I appreciate very much the opportunity to testify before your subcommittees today.

The Congressional Travel and Tourism Caucus which proposed House Concurrent Resolution 110 has made a timely and excellent suggestion to President Clinton. A White House Conference on Tourism is sure to identify significant opportunities for potential economic growth related to tourism. America Outdoors supports that proposal wholeheartedly.

America Outdoors is the trade association for professional outfitters and guides in North and Central America. Some 300 member companies provide access to the unspoiled, wild areas of our continent for people who lack the skills and equipment to undertake such a trip on their own. The recreation services of our members include whitewater rafting, canoe and kayaking, horse packing, fishing, bicycling, environmental education and outdoor skills training.

Outfitter and guide businesses are located for the most part in rural and remote areas. That investment in recreation services is frequently the primary attraction which brings "new dollars" from tourism into such a community. The infrastructure which builds up around those recreation activities include gas and lodging, restaurants, retails sales of clothing, equipment and supplies and other tourist amenities. It is this ever-widening circle of investment which has attracted billions of dollars to hundreds of locations in rural America.

West Virginia is a perfect example of this occurrence.

This economic pioneering is illustrated most vividly in Chairman Rahall's own state, where the establishment of a viable whitewater rafting industry on the New and Gauley Rivers in the 1970's led to investments in hotels, motels, and restaurants. Those establishments could not survive in rural West Virginia without 130,000 visits from out of state travelers to the New and the Gauley Rivers each year.

In 1987 whitewater rafting on the Gauley River alone was estimated to contribute $7.8 million in direct income to West Virginia, according to a U.S. Army Corps of Engineers study. Together the New and the Gauley contribute well over $20 million in direct income to the state. The Cheat and the upper Potomac Rivers add even more.

Chairman Rahall's vision in recognizing the potential of this industry early on and his support in Congress in removing barriers to its development was absolutely critical to the success of this industry. I want to take this opportunity to publicly thank Congressman Rahall for the example he set as an economic pioneer.

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As noted in the White Paper issued by the Congressional Travel and Tourism Caucus, investments like the West Virginia experience bring the right kinds of jobs to these communities: jobs which, in the words of the White Paper, "determine a community's character, its quality of life and its potential for future growth".

The three major initiatives undertaken by America Outdoors in 1993 all tie directly to the goals set in H. Con. Res. 110 for a White House Conference on Tourism:

Economic Study of the Outfitting and Guide Industry

We can easily observe the economic benefits of outfitter and guide businesses in the communities in which they are located, but we have no real measurement, no statistics. Economic multipliers show that the outfitted public bring a lot of dollars into these communities, yet the margin of profit for outfitters themselves is low -- an average return on investment of 4%. Outfitters can ill afford as an industry, therefore, to pay the cost of a national economic study which measures their own value to society.

We have a spattering of economic studies conducted locally to measure recreation values at some particularly popular rivers and horse-packing areas across the country. Taken together, they are not useful because there is no common economic model used to measure such activities. The numbers don't "knit" together to create an economic picture of the region, nor to begin to build national data.

Attached to my testimony is one of the most professional measurements done to date, a study of the Idaho Outfitting and Guiding Industry. It provides insight into several fundamental characteristics of tourism as a key to rural economic development:

* Last year Idaho's 362 outfitters infused an estimated $60 million into the Idaho economy, a 67 percent increase since 1983. Guests spend amounts ranging from $75 to $250 per day.

* 80 percent of IOGA resident outfitter members live in and contribute to the economy of communities with an average population of 451.

* Outfitters and guides boost Idaho's rural economy at a time when other resource-based industries have declined. The town of Riggins had no outfitters in 1978; today, it has 14.

A constructive goal for the White House Conference on Tourism would be to identify funding and technical assistance (a universal economic model in particular) which would enable communities to measure the economic benefits of tourism and plug that measurement into a national assessment. It will take this kind of hard data to begin to convince decision-makers that the investment in infrastructure and small business development will be a strong catalyst for economic growth.

International Tourism

In 1992 the U.S. Forest Service made a commitment to manage National Forest assets in a program to support community and State efforts to diversify the their economic base through tourism activities. There are a number of working principles which provide the foundation for this undertaking. Two important principles are that the Forest Service and its partners take the lead from the local community and, secondly, that the investment result in sustainable, environmentally sound tourism.

America Outdoors became a primary partner in this venture, focussing its expertise and promotional efforts on a vast and largely-untapped international market. Our partnership with the Forest Service in international tourism depends heavily upon the State tourism officers as pivotal players. It depends also upon the U.S. Tourism and Travel Administration at the Department of Commerce as the primary source of market research and the "arm" which assists us in reaching across continents to reach those markets.

One of our first site-specific endeavors in partnership with the U.S. Forest Service and the States of Oregon, Washington and Idaho was promotion of that region to the European Community. European travel writers and travel professionals were guided by outfitters through the Hells Canyon National Recreation Area, the Sawtooth NRA and surrounding areas of Oregon and Idaho. As a consequence of that 1992 promotion, European bookings into the area are steadily increasing.

Another trip for foreign travel writers is occurring this Fall. Writers from French, British and German daily newspapers will visit the Ocoee River to go whitewater rafting and tour the site of the 1996 Olympic canoe and kayak racing competition.

The obvious goal is to increase the international traffic to the United States. The hurdle which stands in the way of federal investment is to find start-up funds for tourism in the face of congressional budget deficit reduction objectives. The challenge is to learn how to leverage those federal, state and private sector funds as they do become available into an efficient and effective package of research, marketing, technology and transportation.

Page Four

New skills will be needed to provide good customer service to the international visitor. This requires an investment in additional training for our office staffs and guides, as well as a new look at business procedures and technology.

There is very little incentive or funding in current federal programs for this kind of investment. Rural economic development is defined in federal law as activities related to farming, timber harvest, mining, grazing and other traditional activities. Transportation incentives are geared toward bringing a crop to market, not transporting the "market" out to the rural communities in which prime outdoor recreation opportunities can be found.

A whole new approach to tourism marketing is being developed in our industry. At the most basic level, outfitters and guides in an international market can no longer depend upon repeat customers and word-of-mouth referral that has historically sustained their businesses. We are developing an inventory of places and activities the industry offers nationwide.

That inventory needs to be integrated into regional tour packages which entice the foreign traveller to a destination which offers many days or weeks of varied and interesting activities for all ages and all interests. Internally, our industry needs to break down many barriers to cooperation and shared resources, to overcome our competitive instincts in favor of a marketing approach which benefits the whole community or region.

"Integration" is probably the key factor. The United States has failed over the years to maintain a national transportation policy which integrates various modes of public travel. It has failed similarly to provide any kind of linkage between its public recreation assets such as the U.S. Forest Service administers and those privately-operated recreation services located on public and federal lands like the National Forest System.

It's hard for any tourist -- domestic or international -- to get information about prime recreation activities on federal lands, harder yet to know what else is in the area once you've chosen a destination attraction. And when it comes to public transportation, you "can't get there from here".

A constructive goal for the White House Conference on Tourism is to identify and create incentives which integrate business investment, job training, marketing, communications technology and the public transportation infrastructure into the development of tourism in rural areas. Key to the success of this endeavor is recognition of tourism in public policy as a legitimate and desirable component of rural economic development.

International interest in America's Parks, forests, deserts, rivers and mountains can also serve to reinforce domestic interest in travel closer to home.

I have attached an article from the Polk County News which describes whitewater rafting on the Ocoee River -- the County's largest industry in an area suffering a severe economic depression. Rafting companies in Polk County employ over 500 workers during the peak season. Tax proceeds to Polk County from raft trips will exceed $250,000 in 1993. Additional sales tax collections in the County have been shown to be directly related to the whitewater rafting season.

Business investment and promotion of the Ocoee River by outfitters over the last decade has made possible a dramatic new development in Polk County. The Ocoee will be the site of the whitewater canoe and kayak slalom events during the 1996 summer games of the International Olympics.

The partners who share in this $26-million cost of this project are the Atlanta Committee for Olympic Games, the U.S. Forest Service, Tennessee Valley Authority, State of Tennessee and many private sector participants. They have approached development of the whitewater venue for this Olympic competition as a rural development project.

They are committed to their vision that partnership investment in site development over the five-year period preceding the Olympic event will have enduring value to Polk County residents. The 50-50 match to federal funding will establish a permanent international competition site, a center of excellence for the training of athletes from all over the world, new river sport opportunities upstream from the section of the river which is currently rafted, and other outdoor activities associated with the spectacular natural setting of the Ocoee.

Accessibility to Outdoor Recreation For People With Disabilities

Under the leadership of the U.S. Forest Service, America Outdoors together with a member-company, Wilderness Inquiry of Minneapolis, Minnesota, has undertaken the design of a recreation program guide for people with disabilities. The results of that project are being shared and sponsored by other federal land management agencies such as the Bureau of Land Management and the Bureau of Reclamation.

Facility design techniques for developed recreation activities are already advanced in concept and required by various laws, notably and most recently by the American With Disabilities Act.

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The challenge today is in integrating the needs and desires of people with disabilities to enjoy recreation in primitive and wilderness settings. Infrastructure is not the issue. The challenge for outfitters is to adapt our skills, experience and outdoor equipment to meet the needs of an increasingly active population who have cognitive and physical disabilities.

The challenge for policy-makers is to support that effort without ruining the fundamental values of a primitive outdoor experience. It is a fallacy to believe that we need to pave trails into the wilderness to make wilderness accessible. The unforgettable experience is to witness the joy in the teamwork between the disabled and those without disabilities as they reach the heart of wilderness together.

There is much work ahead of us before we've succeeded in refining accessible programs for people with disabilities. Much coordination with the disabilities community is needed. A great deal of training for outfitters and guides and for other recreation professionals and federal land managers in the field will be needed.

An important contribution to the work of the White House Conference on Tourism can be made by including the recreation needs of people with disabilities in that agenda.

America Outdoors' Mission Statement:

COMMITTED TO THE CONSERVATION AND ENHANCEMENT OF QUALITY OUTDOOR EXPERIENCES ON AMERICA'S LANDS AND WATERS

The Mission Statement of outfitters and guides is one which rural communities have found they can "take to the bank". The business investments of outfitters stabilize both the economy and the quality of life in the communities in which they live. The commitment to customer service enriches the lives and experiences of the outfitted public which we serve. And outfitters are one segment of American business who believe that "good conservation is good business" -- an economically viable and environmentally sustainable use of the natural world which surrounds us.

I have barely scratched the surface with respect to the problems, needs and opportunities in tourism:

-- Small recreation business on federal and public lands operate under the terms and conditions of permits which make credit worthiness at lending institutions very difficult.

-- Income from tourism has become a lightening rod, inspiring all levels of government to attach layer upon layer of taxes and fees which threaten to kill "the golden goose".

-- The availability and cost of insurance is becoming an increasingly intolerable burden as federal policy-makers require increasingly unrealistic coverage. E.g., the Federal Highway Administration lumps outfitters together with tour bus operations like Greyhound, resulting in unreasonable limits of liability insurance for what amounts to incidental transportation. Outfitter operations are unique and don't fit tidily into many of the traditional molds defined by regulatory agencies.

-- The large and growing number of peak season and part-time jobs which are unique to the recreation industry have become the target of federal policy changes in wage and benefit scales which could make those jobs uneconomic before this industry can fulfill its potential in tourism development.

-- Federal land managers must make up their minds and speak with one voice to an essential question: Do they want the private sector to invest in and provide safe, educational and memorable trips for the outfitted public on federal lands, or does government want to do that job itself? The Forest Service and the Bureau of Land Management of done an admirable job in promoting the spirit of partnership. We need to encourage more of that spirit.

An important goal for the White House Conference on Tourism is to examine the regulatory burdens on small business which are impeding the growth of America's tourism industry.

The Congressional Travel and Tourism Caucus has documented the opportunities for growth in the tourism industry very thoroughly in its White Paper of February 9. America Outdoors commends that effort and looks forward to participation in the White House Conference on Tourism.

Thank you for this opportunity to testify.

IDAHO OUTFITTERS AND GUIDES ASSOCIATION

RESPONSIBLE BUSINESS FOR TODAY AND TOMORROW

The Idaho Outfitting and Guiding Industry

Idaho's outfitters are a diverse group of small businessmen and businesswomen. They offer a wide variety of outdoor recreation experiences, including big game hunting, trophy trout fishing, whitewater expeditions, jet boat tours, cross-country and backcountry skiing, steelhead fishing, helicopter skiing, backpacking, photography, mountain climbing, horseback rides, mountain biking, snowmobiling, dog sled rides and sleigh rides.

• Outfitting is a key component of the state's ever-growing destination travel and tourism business, which ranks third in the Idaho economy. Outfitting guests increase by about 10 percent per year.

• Last year, the state's 362 outfitters infused an estimated $60 million into the Idaho economy, a 67 percent increase since 1983. Guests spend amounts ranging from $75 to $250 per day.

Rural Economic Development

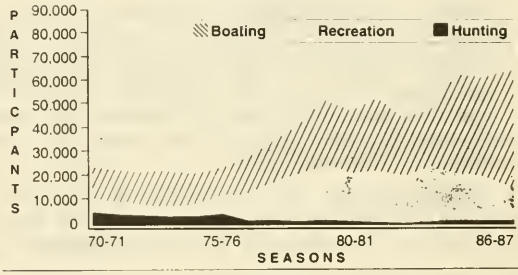
• 80 percent of IOGA resident outfitter members live in and contribute to the economy of communities with an average population of 451.

• Outfitters and guides boost Idaho's rural economy at a time when other resource-based industries have declined. *The town of Riggins had no outfitters in 1978; today, it has 14.*

• Outfitters employ about 1,740 guides, people who come from all walks of life including Idaho high school and college students and teachers.

• Idaho's abundant clean, free-flowing streams and high-quality fish and wildlife habitat are the lifeblood of the resource-based tourism industry, much like the Snake River is the lifeblood of Idaho agriculture.

GUEST PARTICIPATION



Did You Know?

River trips, including wilderness whitewater floats and jet boat tours, are the most popular outfitting service in Idaho, making up more than 65 percent of the total guests. Day trips are the fastest growing segment of the river business. The number of guests who book backcountry hunting trips in Idaho — about 5,000 — has remained stable the last two decades.

What Is An Outfitter?

An ***outfitter*** is someone who offers guided trips for compensation. To operate legally in Idaho, outfitters must be licensed with the state Outfitters and Guides Licensing Board and must obtain a special use permit from the federal land manager.

A ***guide*** is an outfitter's employee. Guides must be licensed with the state board, train with licensed outfitters and be certified in first-aid.

Idaho Outfitters and Guides Association

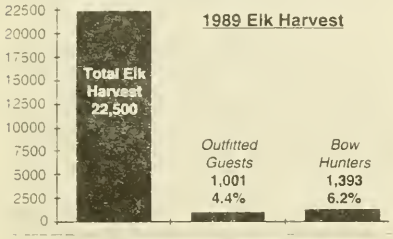
Idaho outfitters and guides formed a non-profit business trade association in 1954 called the Idaho Outfitters and Guides Association. Today the Idaho Outfitters and Guides Association represents 75 percent, or 271 of 362, of the licensed outfitters in the state. The Association's mission is to promote outfitting, quality services for the public, and responsible stewardship of public lands and waters.

[illegible] with a grant with Safari Club International, February 1992.

MYTHS AND FACTS

MYTH: Outfitted guests harvest too many elk in the state. [illegible] for resident hunters.

FACT In 1989, hunters harvested about 22,500 elk in Idaho; outfitted guests, including both residents and non-residents, harvested 1,001 elk — 4.4 percent. As a matter of fact, Idaho resident bowhunters harvested more elk (1,393 or 6.2 percent) than outfitted guests.



MYTH: [illegible] guests [illegible] their fair share [illegible]

FACT: Outfitted guests represent less than 2 percent of the hunters in Idaho, yet they contribute more than 10 percent of the Fish and Game license and tag fees collected each year. In 1988, hunting license fees totaled $14.6 million.

MYTH: [illegible] non-resident hunters [illegible]

FACT: In 1990, of the 29,348 non-resident hunting tags sold; only 4,902, 17 percent, were sold to the outfitted public.

MYTH. The outfitted public gets a disproportionately high share of launches on the four permitted rivers in Idaho.

FACT: They receive 40 percent of the allocated launches on the Middle Fork of the Salmon River, 20 percent on the Selway, 40 percent on Hells Canyon, and 50 percent on the Main Salmon.

MYTH: Outfitters dominate Idaho's rivers, leaving few streams for private boaters' exclusive use.

FACT: There are **many** streams in Idaho where there are no outfitted services. Several Idaho river guide books list dozens of non-outfitted river running opportunities.

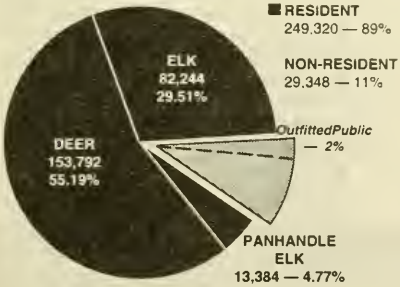
MYTH: Outfitted guests catch and keep all the fish in the river.

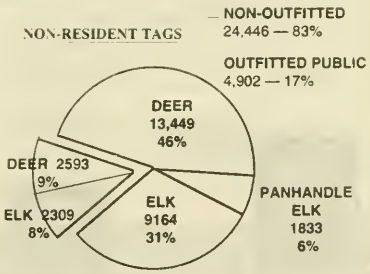
FACT: Idaho fishing outfitters operate on many streams such as the Middle Fork of the Salmon on which catch-and-release fishing is required. On streams where fish harvest is allowed, most outfitters strongly encourage guests to release fish in order to sustain the resource on which their business is based.

MYTH: Outfitters concentrate in the backcountry, camping in every drainage and level spot.

FACT: A total of 27 hunting outfitters operate in the Frank Church-River of No Return Wilderness — that's **one outfitter for every 138 square miles** (88,320 acres). Camps reserved for the outfitted public are spread out as well: there's an average of one camp for every 42 square miles (26,880 acres).

TOTAL 1990 DEER & ELK TAGS





F[illegible]mbers on hunting tags came from the Idaho Department of Fish and Game

Small Business Making a Big Contribution to the Economy

Outfitting guests engaged in direct spending of $22 million in Idaho in the 1986-87 season, the last year for which figures are available. Expenditures include outfitting fees, hunting and fishing licenses, lodging, meals, meat packing, etc. That same year, licensed outfitters engaged in direct spending of $18.2 million, including $2.1 million in the form of state taxes and license fees, and federal user fees.

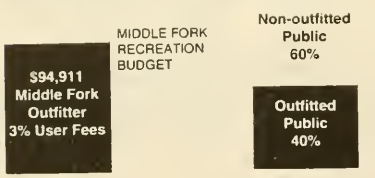
ESTIMATED GROSS EXPENDITURES MADE DURING 1986-87 SEASON

CATEGORY	EXPENDITURES
Client Fees	$15,725,014
Licenses (hunting & fishing)	1,275,381
Within State Travel	1,321,429
Lodging	1,085,717
Restaurants	1,073,566
Supplies	448,588
Groceries	286,137
Miscellaneous Retail	339,556
Taxidermy & meat packing	400,402
Total Estimated Gross Expenditures	**$21,955,790**

More than 95 percent of Idaho outfitters operate their businesses on public land. In return for that privilege, they must pay 3 percent of their gross receipts to the U.S. Treasury. For example, when a guest pays an outfitter $1,000 for a week-long trip on the Middle Fork of the Salmon River, $30 is collected to pay the federal government. In 1990, Idaho's outfitters collectively paid $384,316 to the U.S. Treasury.

Federal user fees paid by outfitters help cover the costs of national forest recreation management. Outfitters who run the Middle Fork of the Salmon River paid $94,911 to the federal government last year in 3 percent user fees; the Middle Fork District's recreation budget is $117,000.

Therefore, the outfitted public indirectly contribute about 80 percent of the district's recreation budget in 3 percent fees.

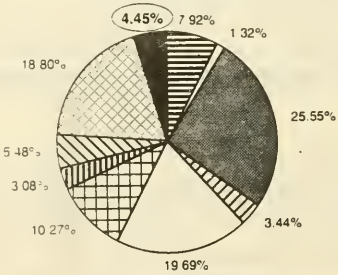


Like other small businesses Idaho's outfitters pay 5 percent sales tax on all fees collected; they also pay sales tax on the many goods and equipment needed to run their businesses.

Idaho guide wages range from $45 to $125 per day. High school and college students save thousands of dollars for their education while guiding in Idaho each summer. A recent Garden Valley High School graduate, for instance, is putting himself through the University of Idaho with funds he saved while making $75 per day guiding on the South Fork of the Payette River.

Contrary to popular belief, outfitting is a challenging way to make a living. Studies show that typical outfitting small businesses net 4.5 percent of their gross income. If an outfitter grosses $100,000 in one season, for instance, his take home pay is about $4,500. Like many small farming and ranching businesses, outfitting pays off in lifestyle and freedom, not in a fatter wallet. As a result, many outfitters work other jobs to make ends meet.

OUTFITTER NET INCOME & EXPENDITURES FROM ACTIVITIES CONDUCTED DURING THE 1986-87 OUTFITTING SEASON



EXPENDITURE CATEGORY	$ AMOUNT	% OF TOTAL
Outside Services	1,245,686	7.29%
Federal User Fees	207,303	1.32%
Equipment	4,017,689	25.55%
State & Federal Taxes	541,279	3.44%
Wages	3,096,592	19.69%
Client/Guide Food	1,614,916	10.27%
Animal Food	483,912	3.08%
Advertising	861,094	5.48%
Other	2,957,021	18.80%
Net Income	**699,383**	**4.45%**
Totals	$15,724,920	100%

Contributing 110% For A Safe and Beautiful Idaho Outdoors

Idaho's outfitters provide many non-compensated services which benefit the public.

- Idaho outfitters and guides routinely clear trails and pick up garbage in the outdoors. In 1989 outfitters in the Frank Church-River of No Return Wilderness cleared about 3,000 miles of trails and packed out several tons of garbage.
- Idaho's river outfitters helped the U.S. Forest Service adopt a pack-it-in, pack-it-out policy for trash on the Middle Fork and Main Salmon rivers in the 1970s. That policy, now the campers credo, has fostered the removal of large garbage dumps along both rivers.
- In the late 1980s, Main Salmon River outfitters encouraged the Forest Service to adopt a policy of packing out human waste. Now all boaters must pack out human waste to keep the river environment as clean as possible.
- Idaho's outfitters are experts in first aid and rescue. When mishaps occur in the backcountry, outfitters are often the first ones to assist lost or injured hikers or hunters. River outfitters often help private floaters whose rafts get pinned on rocks or flip in dangerous rapids. Outfitters have won numerous awards for public assistance.
- Les Bechdel of McCall, Idaho outfitter and owner of Canyons, Inc., is the nation's leading expert in river rescue and safety and co-author of "River Rescue." He offers several training seminars in Idaho each year, helping private boaters and professional guides learn the most advanced safety techniques for whitewater canoeing, kayaking and rafting.
- Idaho's outfitters initiated a program called "Partners Afloat," a meeting of key players in natural resource management on river trips. Forest Service Chief Dale Robertson, Senator Larry Craig, BLM Chief Cy Jamison, and representatives of the forest products, minerals, and livestock grazing industries have participated in such trips, which have been held on the Middle Fork, Main and Lower Salmon, Hells Canyon, and Payette rivers in the last five years. IOGA officials seek to promote "Responsible, Shared Use" by these meetings of the minds.
- When called on for assistance, Idaho outfitters occasionally help Fish and Game officers pursue poachers in the backcountry.
- Idaho outfitters travel to Washington, D.C. to lobby for improved funding for recreation facilities and improved land management in Idaho. Those efforts have produced results, recreation funding has increased 51 percent in the last two years. As part of that package, Congress funded $5 million for much needed resurfacing of the Main Salmon River road from Shoup to Corn Creek.

Idaho Centennial Float Trip

During the summer of 1990, the Idaho Outfitters and Guides Association sponsored a Centennial Float Trip bringing together Idahoans from all walks of life to celebrate the role of the mighty Salmon River in the history of our state. Joining forty-six outfitters and guides in the celebration were the U.S. Forest Service, the Bureau of Land Management, and the communities of Stanley, Clayton, Challis, Elk Bend, North Fork, Shoup, Riggins, White Bird, and Lewiston.

The Idaho Outfitters and Guides Licensing Board

Created in 1961, Idaho's Licensing Board is recognized throughout the west as one the most comprehensive licensing programs in existence. Oregon and Washington, for instance, have no licensing boards. Montana recently created a board to license hunting and fishing guides, and Wyoming's board is three years old.

To provide paid services in Idaho, both outfitters and guides must be licensed by the Idaho Outfitters and Guides Licensing Board. Outfitters must also obtain special-use permits from the U.S. Forest Service or Bureau of Land Management when necessary.

The Licensing Board assures that outfitters are highly skilled, qualified, bonded, certified in first-aid, and financially capable of providing a safe, quality experience for the recreating public.

The Idaho Outfitters and Guides Licensing Board has five members: three outfitters, one Idaho Fish and Game representative and one member of the public at-large. Compared to other state licensing boards, this is a fair and balanced arrangement:

- State Board of Pharmacy: 4 pharmacists; one member at-large.
- Board of Dentistry: 5 dentists, 2 hygienists, 1 consultant.
- Board of Medicine: 6 medical doctors, 2 public at-large, 1 orthopathic physician, 1 law enforcement official.
- Board of Nursing: 6 nurses, 1 member at-large.

The Board's fiscal 1991 budget appropriation was $245,000 which is funded solely from fees generated from the sale of outfitter and guides licenses. They receive no general fund revenues.

The Enforcement Division for the Licensing Board is kept busy investigating illegal outfitting and guiding activities. In 1990, Board enforcement personnel initiated 56 investigations of suspected illegal activities by unlicensed outfitters and guides. Out of this total, 9 citations were issued, three outfitters were convicted of illegal activities, and as of February 1, 1992, two warrants are still outstanding, and seven cases are still under investigation.

The Board also addresses complaints which are filed against licensed outfitters or guides. In 1990, 24 outfitters were cited for various violations. Nine of those were issued probationary licenses, ten were assessed fines totaling $3,550, three licenses were revoked, and two cases were dismissed.

EXPERIENCE IDAHO OUTFITTING!

Rafting impact on Polk continuing to grow

by Ingrid Buehler
First in a Series

Tourism is an increasingly important part of Polk County's economy as visitation increases in the national forests, on the Ocoee River, and through other tourism attractions. None of the attractions, however, have had the direct impact of whitewater rafting, which began in 1982 during the rebuilding of TVA's flume line.

Whitewater rafting's economic impact to Polk County continues to grow, both in direct funds to the county treasury and indirect funds from payroll and money spent by tourists. There are 26 outfitting permits for the Ocoee.

In the last decade, the amusement tax collection has gone from $42,185 in 1992 to $218,280 in 1992. Since 1982, the county has received more than $1.3 million in amusement tax.

There has been a steady yearly increase in the tax, reflecting an increase in the number of people rafting the river. (The 1992 amount also reflects an increase in the tax, which went from 7.75% to 10%.) The amusement tax was created by private act soon after whitewater rafting became a popular sport. It was originally a replacement for the sales tax, with the key difference that the county receives all of the amusement tax compared to only a portion of the sales tax.

The amount of property tax paid by outfitters is also increasing as more of them have made investments in buildings and other amenities. A survey of 11 outfitters in 1988 showed property taxes of around $4,200; in 1992, the property tax bill for nine outfitters' property was $11,163.

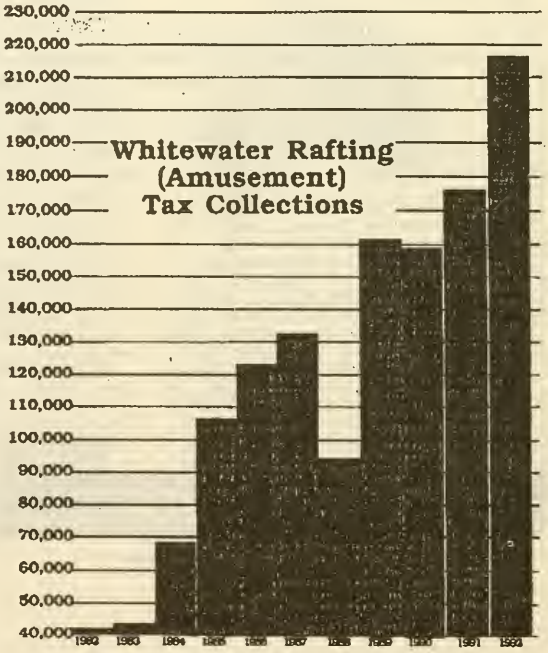
The businesses also pay personal property tax on their rafts, buses and other equipment. In 1988, 11 outfitters paid around $2,300 in personal property tax; in 1992, nine of the outfitters paid $4,027.

Jobs and payroll are also becoming increasingly significant as outfitters are hiring more people to accommodate the growing number of rafting customers and to operate the stores and delis at many locations.

In 1992, there were around 318 people working for the nine biggest companies in the peak of the season, generating a payroll of around $921,010, not counting any tips received. Keeping in mind the other outfitters operating on the Ocoee, total payroll would easily exceed $1 million yearly.

The great majority of the Ocoee River employees are seasonal, although many outfitters have one or more full-time managers. While some of the river guides are not Polk County residents, most of them do stay in the county during the season and, thus, spend money here. There are a growing number of local people who are working for outfitters and several companies said they actively recruit Polk County residents to learn to be guides.

A major impact from the Ocoee River, of course, is the number of people it brings into the county, which is considerably more than the actual number of people who raft the river. The number of people on the river, including customers and private users, is rapidly approaching 200,000, and many of them are accompanied by friends and relatives who do not use the river. There's no way to verify the amount of money spent by these visitors, but sales tax figures show the largest collections during the summer months. (See separate story.)



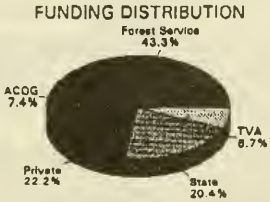
Figures are taken from Trustee's Annual report and include portions of two rafting seasons. Note: reporting year was changed from Sept. 1 - Aug. 31 to July 1 - June 30, so 1988 is for 10-month period only. (Compiled by Polk County News.)

The Ocoee Project
A Rural Development Initiative

In 1991, a unique public/private partnership for rural economic development took form in southeast Tennesse. Once a thriving area that had long enjoyed prosperity from its wealth of copper deposits, the Ocoee Region is now among the most hard-pressed places in America. Almost miraculously, the Ocoee River, the mainstream of this region, was selected by the International Olympic Committee and the Atlanta Committee for Olympic Games to be the site for whitewater canoe and kayak slalom events during the 1996 summer games.

A feasibility study conducted by the State of Tennessee revealed that over $60 million of total economic benefit could be expected in the Ocoee Region between 1992 and 1997 as a direct result of developing and hosting the Olympics on the Ocoee River. Further studies by the Tennessee Valley Authority suggest that and average annual benefit of over $18 million could accrue to the region if the upper Ocoee River were opened to commercial rafting use following the Olympics.

A comprehensive analysis of the total costs associated with hosting this event, including environmental studies, site design, construction, operation, and project administration projected an expenditure of $26 million over a five-year period. The partners associated with the event have agreed to distribute the funding burden as shown in the accompanying graph.



Each partner has a role in bringing the project to completion. Acting as owners of the site, the Forest Service has responsibility for design and construction of site improvements. Total construction costs are estimated in the $10 to $12 million range. The private sector will be looked to for roughly 50% of these costs, or nearly $6 million. To date, nearly half of these funds have been identified. The Atlanta Committee for Olympic Games (ACOG), will donate $2 million in broadcast technology, necessary for bringing the images of the Ocoee Region into the homes of over three *billion* global viewers. The Tennessee Valley Authority has pledged to contribute $1.5 million in water flow, normally diverted for power generation. TVA has also contributed $100,000 towards the Environmental Impact Statement, and $200,000 towards the development of a physical model of the course for channel design. The State of Tennessee has agreed to fund the management costs associated with the event, estmated in the $5.5 million range. They have also contributed $200,000 toward the environmental study. Forest Service funding is obviously key to holding this partnership together. It is also key to generating private sector involvement. If potential donors sense a lack of commitment on the part of the lead agency, fund raising that will make or break this project will be in peril.

In fiscal year 1994, the Forest Service project budget includes $6 million in federal appropriations, plus $4.5 million in private donation monies. The bulk of this funding is directed toward construction activities. Although the Olympics will not occur until 1996, the International Olympic Committee mandates pre-Olympic events at all '96 venues to test site conditions and event operation plans...a dress rehearsal, so to speak. Consequently, site designers and developers will under intense pressure to meet

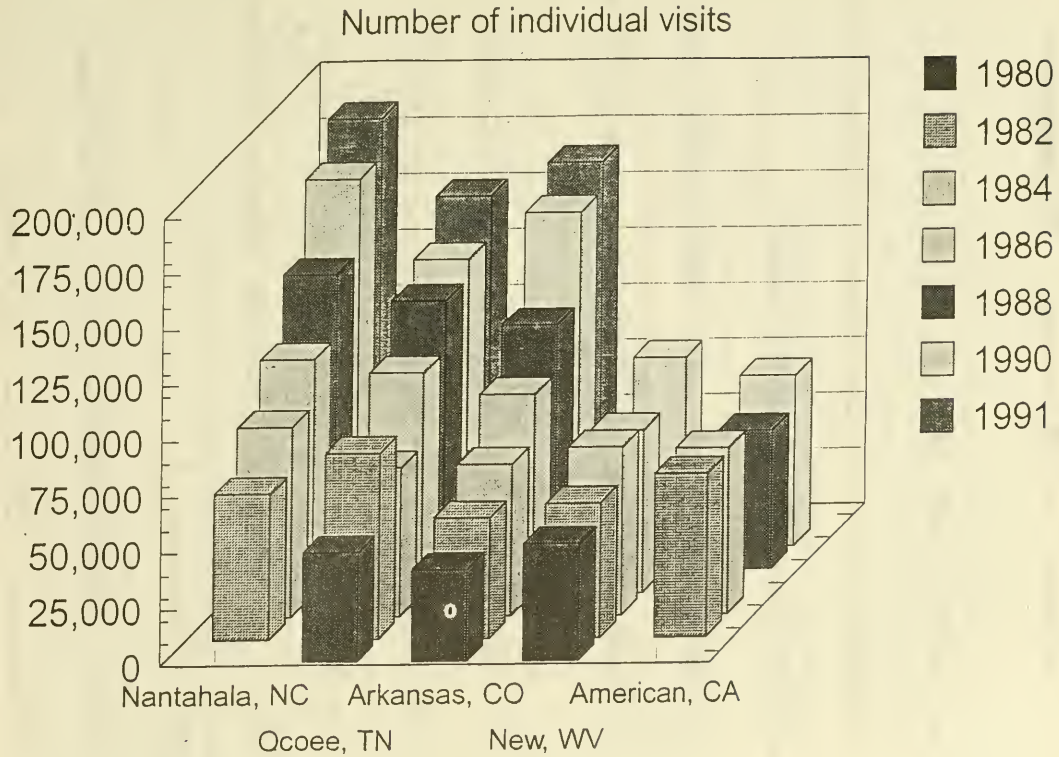
the 1995 deadline. There are no opportunities for postponements or time extensions on this project.

FY94 funds are to be used for the following:

Project Element	Federal Funds	Private Donations
Architectural & Engineering Design	$0.9 million	
River Channel Construction Work	$2.0 million	$3.0 million
Facility Construction Work	$2.8 million	$1.5 million
Project Administration	$0.3 million	
Total	$6.0 million	$4.5 million

As this chart shows, roughly 97% of total funds are "getting to the ground," or being spent in the local economy.

Top Five Guided Whitewater Rafting Rivers



Source: America Outdoors

STATEMENT OF MR. CARTWRIGHT ~~MR. CARTWRIGHT~~

I wish to thank the Aviation and Surface Transportation Subcommittees for holding a joint hearing on the proposed White House Conference on Tourism.

In addition I wish to thank the Congressional Travel & Tourism Caucus for advocating the proposed White House Conference [on Tourism.]

The conference is needed because tourism creates jobs promotes economic development while attracting ~~[illegible]~~

2

to preserve our natural environment historic places, and cultural sites. ~~to 3 words~~ Tourism at its best is sustainable economic development.

But there are problems & barriers.

3

Over the past year I have served on a Federal tourism task force attempting to address barriers ~~appropriate~~ for Rural Tourism Development.

I would like to share a list of ~~to~~ tourism ~~identified~~ problems areas that have been identified by our task force. And a list of potential solutions ~~to~~ identified by our task force.

PROBLEMS FACING RURAL TOURISM DEVELOPMENT

The Federal Perspective

- ✓ Environmental Degradation
- ✓ Inability to Respond to Demand
- ✓ Lack of Trained Staff
- ✓ Lack of Funds
- ✓ Lack of Legislative Direction
- ✓ Credibility of Industry
- ✓ Overlapping Federal Missions
- ✓ No Definition of "tourism" or "rural"
- ✓ Communication with Local Leaders
- ✓ Rural Tourism Not a Priority

SOLUTIONS TO RURAL TOURISM DEVELOPMENT PROBLEMS

The Federal Perspective

- ✓ Provide tourism planning and development assistance to rural communities
- ✓ Provide tourism education assistance to rural communities
- ✓ Improve credibility of rural tourism industry by defining industry and documenting impact
- ✓ Secure legislative mandate for rural tourism development
- ✓ Reallocate existing funds to rural tourism projects
- ✓ Encourage public/private partnerships
- ✓ Train Federal employees in tourism development
- ✓ Encourage environmental component in all tourism planning, development, and promotional activities
- ✓ Promote joint projects between Federal agencies
- ✓ Market rural tourism in cooperation with states and local organizations

As you can see
the work is just beginning
identifying problems &
potential solutions is a first
step.

As a next step
I support the proposed
White House Conference on Tourism
Such a conference would
encourage ~~[illegible]~~ discussion
of tourism issues, barriers, &
solutions by a broad spectrum
of travel & tourism leaders

5

The White House Conference will shine a light on a vital but often neglected component of our economy. Because we cannot afford to neglect vital components of our economy —
I support the proposed White House Conference very much.

TESTIMONY

OF

WILLIAM T. ENDICOTT

BEFORE THE

SUBCOMMITTEES ON AVIATION AND SURFACE TRANSPORTATION

of the

HOUSE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
August 4, 1993 -- Washington, D.C.

Mr. Chairman and members of the Committee, thank you for inviting me here today to testify on behalf of H. Con Res.110, urging the President to create a White House Conference on Tourism. My name is William Endicott. I am currently helping to organize the 1996 Olympic Games events in whitewater canoeing and kayaking on the Ocoee River in Polk County, Tennessee.

As you explore ways of stimulating tourism, I would like to draw your attention to amateur sports events, particularly adventure sports like whitewater canoeing and kayaking, which I think can play a role in rural economic development through stimulating tourism and recreation. The possibilities for using professional sports events in urban areas is more well-known, but in my experience, there is value in looking at amateur events, too, and looking to help rural areas, as well.

Last year I was the coach of our Olympic Team in Barcelona which won a gold medal. I am currently working as a consultant to help organize the 1996 whitewater Olympic events that will take place on the Ocoee river in southeast Tennessee. I was also involved in organizing the World Championships that we had in our sport in western Maryland in 1989. And as co-founder and past chairman of the World Cup in our sport, I was for five years responsible for overseeing events of this kind all over the world.

Prior to coaching the U.S. Team I served 12 years as an aide to the U.S. House and while here I saw the need for ways of stimulating economic development, particularly in rural areas, which are hard to reach through traditional means. I am also aware of the difficult choices that Members of this House have to make in choosing how to

spending taxpayers' money; funding sports events is hard to justify compared to providing for health care, education, or defense, for example.

But based on both my experiences in sports and government, I believe that there is a justifiable role for government in using amateur sports events as an economic catalyst as long as some conditions are met . I'd like to take a few minutes here to outline how I have seen this work, drawing particularly on the example of the Ocoee River project.

THE OCOEE RIVER PROJECT

For more than a decade, the State of Tennessee has recognized the economic development potential of tourism and recreation for rural areas. In Southeastern Tennessee, the growth of tourism has been based in large measure on the use of the Ocoee River for rafting and whitewater sports.

As Atlanta was developing its Olympic bid, the State of Tennessee and others recognized the catalytic value the Games could have for the State and the region and asked Atlanta organizer Billy Payne for permission to have whitewater events on the Ocoee River. Mr. Payne assented, and studies by TVA, the Forest Service and independent consultants concluded that the project was useful, feasible and would add to the long-term growth of tourism in the region.

There are several key points in understanding the rationale for the Ocoee River project. First, the Ocoee region has faced high unemployment ever since the demise of the local copper mining industry. In Polk County, unemployment is chronicly in the double-digits. Second, more than half the region is owned by the Federal government, in the form of the U.S. Forest Service and the Tennessee Valley Authority, thus justifying government help for economic growth. The Ocoee River itself lies within the Cherokee National Forest and the water is controlled by TVA. Third, Congress has mandated that the Forest Service and TVA foster rural economic development and recreation where they can. Lastly, one Olympic event is not the final result of this project, multiple events by several types of users over many years are. In the first place, there will be a half dozen races on the Ocoee leading up to the Olympics and probably one or two major races on the river each year

thereafter. There are also plans for use by recreational boaters, swimmers and fishermen. But even more importantly, a Tennessee Valley Authority study suggests that there would be a very significant increase in tourist spending in the region if the upper Ocoee, which includes the Olympic course, were opened to commercial rafting following the Games. There is rafting only on the lower Ocoee right now.

Interest in the Ocoee project has led to another important element, a partnership between five entities which have contributed time, money and resources to the project: the U.S. Forest Service, TVA, the State of Tennessee, the private sector, and the Atlanta Committee for the Olympic Games. Thus, the federal government is not going it alone on the Ocoee; a number of other participants have a stake in the outcome.

The total cost of the project is estimated at about $26 million over a multiyear period. Of that the Forest Service would provide $11.7 million, TVA about $2 million, the State of Tennessee $4.1 million, the Atlanta Committee for the Olympic Games (ACOG) $2 million, and the private sector $6 million.

The consulting firm of Peat Marwick has estimated that an additional $63 million in extra tourist spending would occur between now and 1997, while the TVA has done preliminary studies showing that opening the upper Ocoee to rafting after the Olympics could lead to many times that amount.

The official decision by the International Olympic Committee to allow whitewater events on the Ocoee was only given in December, so there has not yet been much time to see results. Even so, a lot has happened. First, the World Cup Final will be held on the Ocoee August 30-31 and the community is now preparing for that as a lead-up to the Olympics. The race will draw entrants from 30 foreign countries and probably 5,000 spectators, all of whom will be spending money on the local economy.

Second, In order to supervise the expected increase in activity on the Ocoee, the Ocoee River Canoe and Kayak Association (ORCKA), was formed, made up of representatives of various segments of the community. Joellen Dickey, ORCKA's Executive Director, tells me they have recruited 18 sponsors and about $100,000 to run this year's World Cup. Many of the sponsors, like Coca Cola, say they are

interested in a long-term relationship running through the Oympics.

ORCKA reports there has been a lot of other activity as well. There have been inquiries about how to apply for small business loans to build motels close to Ocoee; a new "hangglider" ride simulator has been created; there is a new horseback riding stable and others are being expanded; there are plans to put in fast-food restaurants; one of the leading manufacturers of kayaks bought a house close to the Ocoee because of the Olympics; and a spirit of volunteerism has built up in the community.

It is anticipated that there will be at least six more races on the Ocoee between now and the Olympics, not to mention annual actitivity there after the Olympics.

Mr. Chairman, I would like to list for the record some other projects that I know of which further illustrate the possibilities of using amateur sports events for stimulating economic development in rural areas.

1. 1989 WHITEWATER WORLD CHAMPIONSHIPS. For the 1989 Whitewater World Championships, a venue was constructed on the Savage River in Garrett County, Maryland. The State of Maryland played a leading role in the project, starting with the personal attention of Governor William Donald Schaefer. A study developed by the Maryland Department of Economic and Employment Development showed that the 1988 pre-world championship activities resulted in $2.1 million being spent on the local economy. Estimates by other sources show that the actual World Championships themselves generated $8-10 million for the Maryland economy.

The Savage River venue was later the site of a 1990 World Cup race, and the site of last year's Olympic Trials. the Maryland Department of Economic and Employment Development estimated that the latter event would draw 15,000 spectators, competitors, event-related officials, organizers, media, and guests. The minimum economic and fiscal impacts of the event projected for the Maryland economy were as follows:

* Direct economic impact $1.8 million
* Direct full-time employment 29 jobs
* Total economic impact $3.7 million

* Total full-time employment 42 jobs
* Total state/local tax receipts $193,000

Mr. Chairman, following the 1989 World Championships, an unusual event occurred, which I would like to point out. Garrett Community College, located near the Savage River, established the Adventure Sports Institute, a program that gives formal academic degrees in careers administering and teaching sports like skiing, backpacking, sailing, rock climbing and kayaking. This is the first of its kind in the nation and an indication of the growing interest in these kinds of sports.

2. 1989 WORLD ALPINE SKI CHAMPIONSHIPS. The World Alpine Ski Championships were held in Vail and Beaver Creek, Colorado over the period January 29 through February 12, 1989. These resort areas are located in the White River National Forest, which is managed by the U.S. Forest Service. As a recreation and economic development initiative, the Forest Service provided several million dollars worth of personnel and logistical support for the event.

After the 1989 Championships, the Vail Valley Foundation funded a summary analysis of the economic activity associated with the event. The purpose of the evaluation was to clarify the spending that occurred and to develop an "order of magnitude" understanding of the revenue received by local taxing entities. The major findings are set out below:

* Total Direct Retail Sales -- $54.7 million

* Colorado Tax Revenues --

Sales Tax	$1, 300,000
Tourism Tax	40,000
Gasoline Tax	107,000
Total taxes to Colorado:	$1, 450,000

* Eagle County Results -- The site of the event, Eagle County, ranked first in retail sales percentage gains among ski counties in the first quarter of 1989 and was third in percent gain among Colorado counties.

* Overall Conclusions. The Vail World Alpine Championships generated significant revenue improvements in a historic soft part of the season, contributed to extremely strong local and state tax revenues, and created visibility and economic momentum for the Vail Valley.

3. HOOSIER HORSE PARK. As part of the 1987 Pan American Games in Indianapolis, Indiana, neighboring Johnson County, a largely rural and underdeveloped area, h osted the equestrian events. The Hoosier Horse Park was created for this purpose as a long-term economic development opportunity. It entailed the use of both public and private funds. At the heart of the effort was support from three federal agencies:

* Department of Defense (DoD) -- The site for the equestrian facility is located on a former DoD facility known as Camp Atterbury. The DoD dedicated approximately $1 million to clear existing foundations, concrete and other rubble from the site.

* Department of Housing and Urban Development (HUD) -- Through the Community Development Block Grant program (CDBG), HUD provided $2 million for materials and labor for the equestrian project.

* Department of Labor, Job Corps -- Camp Atterbury is also a major Job Corps Center. The Local Job Corps contractor utilized the equestrian center as a training project and provided roughly $2 million worth of labor to the facility construction.

The Johnson County Equestrian Facility was important to the Pan Am Games, but its greatest value is to the County and State as a long-term economic development initiative. The horse park was designed specifically to fill gaps in the size and location of other regional facilities. It is booked by horse groups virtually every seasonable weekend and is making a good return on the investment. Using the formula recommended by the American Horse Council, the Hoosier Horse Park estimates its economic impact as follows:

YEAR	ECONOMIC IMPACT	SPECTATORS/PARTICIPANTS
1988	$ 250,000	2,500
1989	450,000	10,000
1990	1,050,000	14,000
1991	1,200,000	16,000

1992	2,100,000	27,000

4. 1980 WINTER OLYMPIC GAMES. The 1980 Winter Olympic Games, held in Lake Placid, New York, represents the largest single investment by the federal government in the resources necessary to hold a major amateur sports event. Several agencies provided over $100 million for various construction projects and services. Federal funding was largely justified as an economic development effort in this part of New York State. The principle expenditures were as follows:

* Department of Commerce. Economic Development Administration (EDA) -- the EDA made pubic works grants totalling more than $47 million for the construction and rehabilitation of sports and supporting facilities.

* Department of Justice, Bureau of Prisons (BOP) -- EDA Administered a $22 million grant from the BOP that was used to fund the regional correctional institution at Raybrook, New York, initially designed for Olympic participants and later refitted as a correctional institution.

* Department of Transportation, Federal Aviation Administration (FAA) -- the FAA provided $1.6 million for improvements to the Saranec Lake Airport.

* Department of Commerce, General Administration -- The Department of Commerce provided $10 million to the Olympic Committee for services at the Lake Placid site.

* Department of Defense (DoD) -- The DoD provided $12 million for security and logistical support of the event. This included medical communications systems, venue security, generators, and ceremonial support.

Following the 1980 Winter Olympics, the New York State legislature created the Olympic Regional Development Authority (ORDA), to manage the Lake Placid Olympic facilities, which by the way, I believe is the largest employer in New York's Adirondack region. The Lake Placid Convention and Visitors' Bureau estimates that the resources developed for the 1980 Olympics have increased tourism days by 47% (each visit is worth $85 in 1993 dollars to the local economy). The Bureau estimates the economic impact as

follows:

YEARS	ECONOMIC IMPACT	TOURIST DAYS
1981-85	$89,665,575	1,195,541
1996-90	126,486,970	1,488,082

Finally, Mr. Chairman, I would like to mention that I personally know of projects like these in whitewater racing that have occurred in other countries: Bourg St, Maurice, France (World Championships 1987); Launceston, Tasmania (World Cup 1992); and just a few weeks ago in Mezzana, Italy (World Championships). In each case, the event was used to stimulate the local economy in a rural area. Each event produced an immediate increase in tourist spending, national and international advertising for the area through televising the race, and a spirit of volunteerism in the community.

In conclusion, I would say that in documenting the need for a White House Conference on Tourism, this Committee should look at not only professional sports events, but amateur ones as well, and that not only urban areas should be targeted, but also rural ones. If certain conditions are met, it is the legitimate role of government to stimulate these activities.

STATE OF TENNESSEE

DEPARTMENT OF TOURIST DEVELOPMENT

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Sandra Ford Fulton
Commissioner

Ned McWherter
Governor

TESTIMONY

OF

COMMISSIONER SANDRA FORD FULTON

ON THE

PROPOSED WHITE HOUSE CONFERENCE ON TOURISM

TO THE

SUBCOMMITTEES ON AVIATION AND SURFACE TRANSPORTATION

AUGUST 4, 1993

WASHINGTON, D.C.

TESTIMONY BEFORE THE SUBCOMMITTEES ON
AVIATION
AND SURFACE TRANSPORTATION
August 4, 1993

Good morning, Mr. Chairman and Members of the Subcommittee. My name is Sandra Fulton and I am commissioner of Tourist Development for the State of Tennessee.

I would like to begin by commending you Mr. Chairman for your leadership and vision on behalf of the tourism industry. I would also like to commend Representatives Rahall, Roth and Clement for their work with the Congressional Travel and Tourism Caucus to bring this important legislation to fruition. You have already heard Mr. Hartley-Leonard's eloquent testimony this morning on the importance of tourism to our nation's economy. I would like to share with you the perspective of tourism's enormous contribution to state and local economies across this country.

The impact that tourism can have on the economy is clear. In 1992, the residents of the State of Tennessee benefitted from tourism through the nearly six and one half billion dollars travelers spent in our state. The economic impact of these travelers has resulted in one hundred and twenty nine thousand jobs for Tennesseans, with a payroll of over two billion dollars, and has netted four hundred and eighty-eight million dollars in state and local taxes.

Tourism is the second largest employer in Tennessee - in wages and in jobs - second only to health services. The same is true nationally - with nearly six million Americans employed directly in the tourism industry and another five million indirectly.

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Although tourism is vitally important to Tennessee, our experience is not terribly unique. Travel and tourism is the first, second or third largest employer in eighty percent of the states. Tourism's benefits to localities is also well-documented. The U.S. Travel Data Center has conducted studies of travel's economic impact on two thirds of the nation's counties since 1978. In only three of the 1,900 counties studied was it found that travel made no measurable economic contribution. Few industries can boast of such universal economic benefits.

Increasingly, tourism makes good business sense for state and local interests seeking ways to provide sustainable economic development. You will be bombarded today by the statistics that represent the tremendous economic impact of tourism. Allow me to share with you the direct annual impact of 100 visitors a day on the average U.S. community.

$1,463,000 in retail and service industry sales to visitors

$332,000 in wages and salaries

29 travel industry jobs

$116,000 in state and local tax revenue

When the indirect and induced impact is added, all of these figures are approximately doubled.

State governments have traditionally been quick to recognize tourism's economic development potential. Since 1983, states have doubled their tourism promotion and development budgets to nearly $350 million. The average state spent $6.8 million on tourism development in 1991.

State and local governments have become increasingly supportive of travel and tourism because it is a reliable source of employment opportunities, it produces substantial state and local tax revenue, and it stimulates other types of economic development. Nationwide, state tax receipts totaled twelve billion dollars, and local tax receipts nearly seven billion dollars. Federal tax revenues on domestic travel in the U.S. produced over twenty three billion dollars in 1991. That is understandable when travel spending in the U.S. averages one billion dollars a day.

Research tells us that the American people have the desire, and expect to have the ability to travel freely in this country. International travelers are more able and more inclined than ever to visit these United States. The opportunity for the major cities and the nooks and crannies of our country to experience job growth and economic prosperity from traveler expenditures is significant. And the economic impact extends far beyond the traditional travel business elements such as airlines, hotels and travel agencies - into

the critical industries of telecommunications, financial services and construction. In Nashville recently, one travel and entertainment corporation announced a $200 million dollar capitol investment plan for additions to its properties - the economic benefits to all segments of the city, and certainly to the state coffers, will be enormous. By the same token, the restoration or adaptive reuse of cherished structures in small towns across our state and the nation attracts visitors, stimulates development, and creates employment and business opportunities. Over half this nation's labor force is employed in small businesses. As this legislation indicates, small businesses account for ninety percent of the travel and tourism industry.

In Tennessee, I have initiated a community tourism development program this year to offer technical assistance to communities in organizing and promoting their own tourism programs and to assist in special projects that effect community development. Also, Tennessee's Governor Ned McWherter has for six years pursued a massive road building program which provides travelers greater access to our cities and towns, and opens our rural areas for industrial development.

As these initiatives make our communities visitor friendly, and as we develop and refine our travel products, we stimulate entrepreneurship, we nourish livable towns and cities, and with appropriate planning, encouraged by the proposed White House Conference on Tourism, we can strengthen our ability to preserve and protect our cultural heritage and our environment.

It is my belief that travel and tourism in this country is a powerful economic force from which federal, state and local

economies have benefitted, but one which they have not adequately valued. Because of this, a private and public partnership is critical to future sustainable economic development and job growth.

Chairman Oberstar, many communities already have the tourism resources to improve the condition of their local economies but lack the organizational framework and leadership to organize, plan and implement the programs to improve these resources. A White House Conference on Tourism will help develop an informed and active leadership to bring together people and ideas and create a channel of communication linking the tourism community. Most of all this conference will develop the needed organizational framework to empower communities to develop their tourism resources to the benefit of all Americans.

National
Association
of RV Parks &
Campgrounds

Statement by David Gorin,
Executive Vice President
National Association of RV Parks & Campgrounds
before the
Subcommittees on Aviation and Surface Transportation
August 4, 1993

The Proposed White House Conference on Tourism

Tourism & the Environment

I am David Gorin, executive vice president of the National Association of RV Parks and Campgrounds, the only national association representing the commercial outdoor hospitality industry in the United States. Our members operate thousands of camping facilities throughout the country, ranging from primitive, undeveloped camping sites to luxurious, full scale resort RV parks and camping facilities.

We applaud your efforts, Mr. Chairman, and those of your many distinguished colleagues who are working along with you, to encourage the President to convene a high level White House Conference on Tourism. We believe that an increased national focus on travel and tourism as a most important economic factor in our country is critical and that a White House Conference will serve to accomplish that purpose.

My purpose today is to specifically address the issue of tourism and the environment. Werner Braum, Senior Vice President of Ramada International Hotels and Resorts, is quoted in a recent publication entitled Tourism and the Environment published by the Travel Industry Association of America, as follows:

"There is an old saying that 'if you are not part of the solution, you are part of the problem'....I suggest that those of us in the tourism industry must develop a proactive stance in protecting the very assets it so heavily relies upon. It must assist in creating environmental policy that encourages and strengthens the goal of sustainable development."

The tourism industry has a responsibility to maintain the natural beauty of this country and to take a proactive position to assure that all environmental concerns - from disposal of hazardous waste, to water quality, to clean air, to clean beaches, to preservation of wildlife and vegetation - are addressed. The travel and tourism industry will feel the impact if these concerns

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and many others, are not appropriately addressed by both American citizens and the government at every level.

It is just this reasoning that necessitates the inclusion of serious discussions of tourism and the environment in the proposed White House Conference and we would urge this committee to be certain to include this subject as a high priority in its planning and recommendations.

In the travel and tourism industry today, eco-tourism has become the buzz word of the '90s - and for good reason as we'll see in a moment. First, let me offer a brief definition of eco-tourism in order to further set the stage.

Eco-tourism practices....

-minimize environmental impact by treading lightly on the earth;

-minimize impact on, and maximize respect for, host cultures whether in urban areas or undeveloped regions of the world;

-maximize economic benefits to host communities without causing environmental disruption or lasting negative impacts;

-maximize "recreational" satisfaction of the visitors.

In summary, eco-tourism is a balancing act that seeks to balance environmental imperatives, visitor satisfaction and host needs.

I would now like to take just a few minutes to describe some of the key findings of the TIA report on travel and the environment as it sets forth a sound framework for considering this important issue.

*The environmental movement is in the mainstream of global life. In the US, there are more than 300 "local" environmental groups and more than ten million dues paying environmentalists. And there are untold millions of consumers who are sensitive to environmental issues as evidenced by the increasing number of Americans who recycle everything from soft drink cans to newspapers to grocery bags. This environmental sensitivity is working its way into the fabric of the daily lives of tens of millions of Americans and is becoming more of a factor in daily decisions.

*"Green" consumerism is likely to continue to grow throughout this decade as a growing list of core problems such as hazardous waste and ozone layer depletion continue to capture national and international attention.

*Studies by such renowned groups as Booz Allen, Deloitte & Touche and the Stanford Graduate School of Business continue to

show the importance of environmental issues to major businesses and their top management.

*Consumer preferences, together with today's (and tomorrow's likely) regulatory obligations, are leading tourism industry businesses to learn that environmental promotion and preservation are essential to future success.

*General consumers are increasingly sensitive to the environment and travelers are also sharing this increased concern. A survey by TIA and US Travel Data Center showed that eight million adults reported having taken at least one "eco-tourism" trip, while nearly one-third are likely to do so during the next three years. Thus, the potential eco-tourism market consists of at least 43 million American adults.

*Travelers are also becoming more inclined to support "green" travel companies. More than 85% of travelers interviewed in 1991 claimed they are likely to support or patronize travel companies that help preserve the environment. Moreover, these travelers indicate that they would be inclined to spend, on average, 8% more for travel services and products provided by environmentally responsible suppliers.

The industry I represent, campgrounds and RV parks, is taking a number of steps to make a positive contribution to our environmental needs as we recognize that campers demand a clean, safe and protected environment in which to enjoy the treasurers of America's great outdoors.

Campground operators subscribe to the 3Rs - reduce, reuse and recycle - and have long practiced these 3 cardinal rules of environmental sensitivity because they make good business sense as well as practical sense for the consumer.

We use recycled papers and participate in local environmental projects in the area where our national headquarters are located. We set an example and provide leadership through our national association policies.

Until recently put out of business by the Administration, our association was an active partner in Take Pride in America, a national volunteer effort to keep America clean and beautiful. We had a national awards program to recognize member participation in local Take Pride projects and our national directors annually participated in a project in conjunction with our national board meetings. We are very unhappy that this program is no longer part of the Department of Interior as it had a very wide base of support and was well-organized in all 50 states.

Our national camping promotion program, Go Camping America, promotes environmentally safe camping and RVing, through the Camping Vacation Planner of which more than 2.5 million are distributed annually.

And finally, we conduct seminars and provide opportunities for members to share experiences in how they are making the camping experience more environmentally acceptable.

The travel industry - like the rest of the world - is at a crossroads. All indications are that the 1990s will be the first truly "green" decade and the businesses in the travel industry can become either the victim of this growing environmental concern or it beneficiaries. Indeed, each American travel and tourism business will be either a victim or the beneficiary of this awareness. How we adapt to the new realities, how we balance tourism development with environmental protection and enhancement, and how we embrace and implement policies and strategies will determine whether we are victim or beneficiary.

As we are poised at this crossroads, the White House Conference on Tourism could have a significant impact on whether the US travel industry is established as an environmental leader rather than a reluctant follower.

I thank you for this opportunity to discuss our views on tourism and the environment and hope that when you are successful in bringing about a White House Conference on Tourism that this issue will be a prominent part of the conference.

TESTIMONY
ON
HOUSE CONCURRENT RESOLUTION 110
URGING THE PRESIDENT TO CONVENE
A WHITE HOUSE CONFERENCE ON TOURISM

PRESENTED BY

ALLAN E. HARDER, DIRECTOR
ECONOMIC AND BUSINESS DEVELOPMENT OFFICE
CHEROKEE NATION
BEFORE THE
SUBCOMMITTEE ON AVIATION AND SURFACE TRANSPORTATION
HOUSE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

AUGUST 4, 1993

Mr. Chairman and members of the Subcommittee, my name is Allan E. Harder, Director of Economic and Business Development for the Cherokee Nation of Oklahoma. I am pleased to have the opportunity to testify in support of H. Con. Res. 110, urging the President to convene a White House Conference on Tourism.

I am appearing today on behalf of Principal Chief Wilma P. Mankiller and the 140,000 tribal members of the Cherokee Nation. Ours is the second largest Indian tribe in the United States and was one of the first to execute a Self-Governance Compact with the U.S. under the Indian Self-Determination and Education Assistance Act Amendments of 1988. Our tribe has developed successful education, job training, housing, health care, economic development and many other programs.

The resolution under consideration today is important to the economies of all Americans, including Indian Nations. Not only do we support the proposal for a White House Conference on Tourism, but we strongly urge the Subcommittee to ensure -- through legislative or report language, and otherwise -- that Indian Nations will be represented as major participants in this important conference.

Mr. Chairman, economic conditions in most Indian areas are deplorable. It is sad to admit, but conditions on Indian lands are often compared to conditions in third world countries. The median per capita income for American Indians is $4,500 annually, according to the latest available census data. The majority of Indian people fall within a per capita income range of between $2,000 to $4,000. According to the most current statistical data, (prepared in 1989 by the Council of Energy Resources Tribes and revised in mid-1992), the Cherokee Nation's unemployment rate is estimated at 24.2%, more than 345% of the national average. Estimates are that the maximum utilization of the employed

Cherokee workforce could add $169 million to our tribe's Gross National Product. With these conditions, Indian Nations generally welcome activities that enhance their economies.

To improve these deplorable conditions in Indian country, for the last two years, the Cherokee Nation has worked hard with the Navajo Nation and many other tribes across the United States to secure enactment of Indian employment and investment tax credits as part of national efforts towards economic stimulus. The Congress approved these Indian credits last year as part of H.R. 11, but President Bush vetoed that legislation. Now we are fighting to keep these Indian credits in the deficit reduction package. If enacted, these Indian tax incentives, coupled with acceptable tourism policies, could be a positive force in the enticement of tourist related industries to Indian Country, and stimulate investment activities.

As I have noted, Indian Nations are desirous and in need of new revenue sources, and tourism offers that potential. Yet most tribes will also be cautious about how tourism enhancements to their economies will be attained. Tourism that does not harm the environment, protects the culture and customs of the tribes, and whose depictions are authentic and are not exploitative would be looked on favorably. Tribal concerns in these areas reflect the facts that the tribes once owned all of what is now the United States and still see themselves as a protector. If these concerns are met positively, tribes have much to offer to the tourism industry.

The Indians feel that tourism activities should balance protection of the environment, with enjoyment of what nature has to offer. This sentiment is expressed in a quote from President Theodore Roosevelt that is used in the National Park's material for Grand Canyon visitors: "Do nothing to mar its grandeur for the ages have been at work upon it and man cannot improve it. Keep it for your children, your children's children, and all who come after you. . . " Similar respect for culture is reflected by the idea of leaving no footprints where you have walked. It is important that cultural events and sites that are open to the public are protected in such a way that people take with them <u>only</u> memories and those memories are positive.

Where the attraction for tourists is the tribe or Indian related activities or products, we believe strongly that authenticity should be stressed. If souvenirs are offered, efforts must be made to verify that they are made by the local tribal crafts people. When historical re-enactments are performed or sites replicated, local tribal members should be employed for the parts portrayed.

In addition to commitment to address Indian concerns, the tourism industry should be sure to include -- not exclude or

overlook -- the tribes and tribal members as partners in the tourism activities. The interest in American Indians is very high both in Europe and in the Far East. Markets for Indian arts and crafts are growing in both areas. Indian clubs may have begun in many European cities. A multi-million dollar Native American exhibit and market is being planned approximately 45 miles from Paris.

Even with this interest in American Indians from outside the United States, tribes are overlooked as potential partners in tourism. A Notice of Proposed Rule Making was issued by the United States Travel and Tourism Administration in Vol. 58, No. 13, Friday, January 22, 1993 of the Federal Register. In the proposed rules, the Travel and Tourism Administration proposed rules or a matching grant program for International Tourism Trade Development. Eligible applicants were "programs which shall at a minimum -- (1) involve the participation of (i) two or more states; (ii) one or more states and one or more political subdivisions of States; or (iii) one or more States and one or more nonprofit organizations. . ." plus other programmatic qualifiers. Indian tribal governments are not specifically identified as eligible applicants. As tribes have discovered, unless we are specifically identified, we often are presumed to be specifically not included. If invited, most tribes would be willing partners.

Tribes also understand that the most effective economic enhancement is from income brought into the local economy from outside the area. Tourism dollars almost totally meet this definition. If tribes can be included in the positive manners I have described, the economies of tribes and surrounding areas can benefit from tourism.

Mr. Chairman, thank you again for the opportunity to testify today. I stand ready to respond to any questions you or the Subcommittee may have.

National Trust for Historic Preservation

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Testimony
of

Cheryl M. Margrove
Director of Heritage Tourism

before the

Subcommittees on Aviation and Surface Transportation
Committee on Public Works and Transportation
United States House of Representatives

August 4, 1993

Thank you for the opportunity to speak in support of a White House Conference on Tourism on behalf of the National Trust for Historic Preservation. A White House Conference would bring leadership and public policy concerns to the burgeoning tourism industry. Of special interest to the National Trust is the proven positive effect that historic sites have on tourism and the impact tourism has on historic sites.

Role of Historic Resources in Tourism

There is no question that tourism is a growth industry. Today I'd like to describe how heritage sites play an important role in this industry.

There is a documented, growing increase in interest on the part of American and international travelers in visiting historic and cultural sites. In 1991, 30% of the traveling public visited a historic site, district or building. One of every four travelers visited a museum or art gallery. As to the economic impact, 28% of travelers bought local or ethnic foods or crafts during their trip.

Specific examples that demonstrate the impact of heritage tourism include Charleston, South Carolina where last year's month-long series of historic home and garden tours contributed $6.5 million to the local economy. Galveston, Texas' "Dickens on the Strand" two-day Victorian celebration contributes $3.8 million annually to the local economy, an impact of 106 full-time year-round jobs directly attributable to non-island visitor spending. Six of the top ten attractions to the state of Texas are historic sites. In Denver, Colorado, the number one sightseeing activity during a vacation to the Mile-High city is visiting a landmark or historic site.

The mission of the National Trust for Historic Preservation is to foster an appreciation of the diverse character and meaning of our American cultural heritage and to preserve and revitalize the livability of our communities by leading the nation in saving America's historic environments.

Recycled Pa

There are over 750,000 historic sites included in the National Register of Historic Places. While many people may not consider the United States "old" in comparison to other countries throughout the world, our heritage is obviously valuable to the traveling public and provides a unique educational experience for visitors.

As heritage sites have helped generate additional tourism dollars for communities, tourism is important to heritage sites. Often, admission receipts represent a substantial percentage of an historic site's operating budget. Events such as historic house tours, reenactments and special exhibits provide key opportunities to fund raise and recruit members for non-profit historical societies. Tourism also provides the opportunity to educate consumers on the importance of preserving the past for the future, and to help tell the story of our country's development and growth into a world leader.

Finally, a key benefit of successful heritage tourism is usually increased community pride as residents experience a connection with their past. Therefore, these buildings provide insight to the social studies of an area through architecture, commercial use and association with early residents. As visitors travel to experience a community's unique heritage, local citizens take a fresh look at the special sites that set them apart from every other place and residents take notice that something perhaps previously taken for granted actually has great value. It is this pride from residents that protects historic places better than could any government program.

Challenges of Heritage Tourism

If the U.S. is to compete in the highly developed and global tourism arena, focus on our unique heritage can provide areas a marketing edge. Yet, many communities need special assistance in getting historic sites ready for visitors. They need direction on resources available to develop the infrastructure to support enhanced visitation, specifically through state and federal funding sources such as ISTEA. Community leaders need guidance on how to market these treasures to interested audiences. Perhaps most importantly, planners need instruction on how to protect these special places -- the visual document of our country's development and diverse culture -- so future generations can experience and enjoy them. Local organizers need instruction on what forms of tourism are most appropriate for their area, how to interpret their historical message and share their cultural richness so that the experience is educational rather than exploitative. Many cities and regions that have strong tourism programs -- such as the Amish areas of Lancaster, Pennsylvania and Nappanee, Indiana -- need assistance on how to sustain tourism economies without negatively impacting local residents. Other areas of the country -- such as the Midwest --

want to diversify agricultural-based economies through new niche tourism opportunities such as "agritourism" and need assistance on how to develop sustainable tourism products.

National Trust and Heritage Tourism

Congress created the National Trust nearly fifty years ago to preserve historic sites in the public interest and to educate citizens about history through historic places. Our mission is to foster an appreciation of the diverse character and meaning of our American cultural heritage and to preserve and revitalize the livability of our communities by leading the nation in saving America's historic environments. Our work in the tourism field, which I direct, is a key aspect our work through our regional and field offices, our publications and our historic properties to carry out our charter and our mission.

In 1989, the National Trust launched the heritage tourism program, to assist communities in their protection and promotion of heritage resources -- battlefields, historic houses, Spanish missions, industrial plants, farms, Native American dances, African American art -- the unique heritage that constitutes a marketable commodity for communities in search of new economic activity.

During the past four years, the National Trust has worked with communities to provide technical instruction on how to develop and market historic and cultural resources for visitors, how to preserve and promote. The measurable results netted in 16 areas around the country demonstrated that heritage tourism is a successful strategy for economic growth while preserving for the future. A recent publication produced by the National Trust with funding from American Express focused on the lessons learned and has provided basic instruction on how to get started in heritage tourism. Over 3,000 guides have been distributed during the past six months to communities and civic leaders across the country. The need for assistance is great. The demonstrated interest in heritage tourism ranges from inquiries by major newspapers, magazines and national organizations on specific ethnic tours and historical trails to individual sites that have a story to share with visitors.

Need for White House Conference

A White House Conference on Tourism can enable local leaders to understand the need for preservation as well as promotion; and to develop and implement strategies that provide opportunities to increase jobs and local economies without compromising historic sites or cultures. Additionally, the conference can address how to partner to create linkages along scenic byways and heritage corridors so that sustainable tourism programs are developed to provide measurable economic growth in metropolitan cities, rural

areas and YOUR TOWN USA. A vital component of the conference could be a special session on how to develop public/private partnerships that generate new jobs, create new business enterprises and provide unique educational experiences to the pleasure traveler. Clearly, a White House Conference can be a forum to set national policy through support of the United States Travel & Tourism Administration that will strengthen the tourism industry and the economy in general, improve local quality of life through increased services and cultural attractions, and protect treasured, irreplaceable resources for the future.

Comments on H. Con. Res. 110
and
The Need for a White House Conference on Tourism

to the

Subcommittees on Aviation and Surface Transportation

House Public Works and Transportation Committee

by

Darryl Hartley-Leonard

President, Hyatt Hotels Corporation
Chairman, Department of Commerce Travel and Tourism Advisory Board
Chairman, Travel and Tourism Government Affairs Council

August 4, 1993

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Thank you for inviting me to be with you today. I am Darryl Hartley-Leonard, President of Hyatt Hotels Corporation. I am active with the American Hotel & Motel Association, and currently serve as Chairman of the Travel and Tourism Government Affairs Council and as Chairman of the Department of Commerce Travel and Tourism Advisory Board.

My positions with the Travel and Tourism Advisory Board (TTAB) and the Government Affairs Council (GAC) are what bring me here today. The TTAB advises Commerce Secretary Brown on key issues affecting the travel industry, where those of us on the TTAB make our living. The GAC is a coalition representing a broad spectrum of the industry, including lodging, all modes of transportation, food services, travel agents, tour sales and operations, recreation facilities and attractions, as well as state and local travel and tourism officials.

Earlier this year, the TTAB met in Hawaii to discuss the health of travel and tourism there. We conducted a forum on how to enhance the image of this industry and what would best benefit travel and tourism in that state. After a full day of testimony by representatives of all segments of the industry, I, and the board, are now more convinced than ever of the necessity for a White House Conference on similar issues nationwide.

Everyone in this room knows what travel and tourism means. It is what brings us together today. It is an industry that provides our economy with 5.9 million jobs, $91.2 billion in wages and salaries, $380 billion in sales and $47 billion in tax revenues. Last year, travel and tourism was once again the nation's leading export, generating $71.2 billion in expenditures from international visitors and a trade surplus of $20.4 billion.

Travel and tourism means money for our nation, jobs for our people, and a better understanding of the United States by people who visit us from all over the world.

But unfortunately, in this country, travel and tourism has a perception problem. Many people across this country are unfamiliar with the benefits we bring. Far too many people consider us a fluff industry. And how can we expect them not to when our business is often depicted in the media by an overweight, middle-aged, camera-carrying man in ugly shorts, and an even uglier shirt, whom we laugh at but still remember as "The Tacky Tourist?"

Ladies and gentlemen, I am here testifying before you today because we must put an end to this type of misconception. We must begin to appreciate travel and tourism as one of the most potent industries in the United States, one of the industries with the greatest potential for growth and creating jobs. We must begin to appreciate travel and tourism as a first-class product guaranteed to put money in the bank because when we do, we will begin to treat travel and tourism as a first class industry, and we will reap even richer economic benefits from increased tourism spending.

So, how do we enhance the awareness of the travel and tourism industry? A very good question, and one that I thank the Committee for beginning to address. A White House Conference on Tourism is a tremendous step in the right direction for our industry to gain the recognition and understanding it needs to provide an even greater economic benefit to our country than it does today.

I commend the Subcommittee for conducting these hearings. The Public Works Committee is once again demonstrating leadership and farsightedness as it did when Congress laid the foundation of the interstate highway system during the 1950's. Not only did interstate commerce flourished, so did travel and tourism. Hotels, motels and restaurants sprung up virtually overnight.

Congress again provided a leadership role during the 1970's by convening the National Tourism Resources Review Commission. Recommended by Senator Daniel Inouye, this two-year study of travel and tourism's needs, and the available resources, provided a tremendous boost to our industry. Since its implementation, and with the coordinated efforts of the private and public sectors, tourism receipts have grown dramatically from a $140 billion industry to a $380 billion industry, far outpacing the average for all industries. The report of the Commission provided a guide for that growth into the 1980's.

Now is the time for another focus on the travel and tourism industry. And I call on Congress and the Administration to work together and again continue their leadership role. The members of this Committee can, and should, help guide the

development of the necessary road map for the nation's travel and tourism industry into the 21st century.

A new initiative under the leadership of Congress and the Administration would bring together a wide range of people with an interest in the continued growth of the travel and tourism industry. Our nation's mayors, governors, private sector leaders and others would certainly jump on the bandwagon to support continued economic growth of the travel and tourism industry and the ongoing creation of jobs for all Americans.

I would recommend that a conference take the form of regional and local sessions, culminating in a national, high level conference in Washington. This format would allow for maximum publicity and attention around the country. Millions would become aware of travel and tourism as an industry and begin to appreciate the economic contributions this industry makes to their respective communities. Many would realize the economic benefits of developing tourism programs on their own. At the very least, we would gain an expanded environment of hospitality towards international visitors, which would lead to increased tourism receipts.

On what issues should the conference focus in order to produce positive results?

Today, you will hear about many different issues facing the travel and tourism industry and it is certainly important for this committee to give full consideration to each one. However, there are several critical issues that I believe a White

House Conference must address if it is to truly make an impact on the future of our industry. They are:

One, the health of the airline industry, which is close to your heart, Mr. Chairman;

Two, the need for more government funds to sufficiently promote the U.S. travel product around the world and to make this country competitive with other countries' travel promotion efforts;

Three, the need to boost investment in our national transportation infrastructure which, as the Committee on Public Works and Transportation has shown that it knows so well, is absolutely vital not only to tourism but to our entire economy;

Four, the stifling effect of rising taxes on the traveling public and the travel industry as a whole, including, of course, any further reductions in the deductibility of travel and entertainment expenses as a legitimate business expense. You will, no doubt, be hearing from the labor side of travel and tourism opposed to this week's decision by the House-Senate conference committee to lower the deduction to 50 percent as part of the President's economic package;

And five, improving passenger facilitation, an issue about which I feel particularly strong. Our government is currently enforcing strong anti-terrorist laws, and the travel and tourism industry applauds every effort taken to keep our borders secure and safe. We support the implementation of existing

technology by the Immigration and Naturalization Service and U.S. Customs Service to prevent illegal entries before they even arrive in this country.

But at the same time, we must also make it easier for honest international visitors to get into the United States, and I might add, to begin spending their money. Reducing the paperwork involved in getting a visa, expansion of the Visa Waiver Program, and implementation of new technology to reduce the time it takes for legal entry would also go a long way in encouraging our international visitors to return.

In summation, Mr. Chairman and members of the Committee, we are at a critical time in the travel and tourism industry. Our industry is barely beginning to recover from the effects of the recession and Gulf War, and soon, the world spotlight will focus on the United States as the World Cup and the Olympics come to our country. With your support and guidance, the travel and tourism industry can maximize the opportunity before us. I urge you to continue your work. It is important to our industry, and it is important to our economy. Thank you, and I am available for any questions you may have.

TESTIMONY BEFORE HOUSE

PUBLIC WORKS AND TRANSPORTATION COMMITTEE

AUGUST 04, 1993

SUBMITTED BY:
ROBERT E. JULIANO
LEGISLATIVE REPRESENTATIVE
HOTEL EMPLOYEES AND
RESTAURANT EMPLOYEES
INTERNATIONAL UNION

IN BEHALF OF GENERAL PRESIDENT EDWARD T. HANLEY, AND THE 300,000 MEMBERS WE REPRESENT AND THE HOTEL EMPLOYEES AND RESTAURANT EMPLOYEES INTERNATIONAL UNION IS DELIGHTED TO APPEAR BEFORE THE HOUSE PUBLIC WORKS AND TRANSPORTATION COMMITTEE REGARDING THE NEED FOR A WHITE HOUSE CONFERENCE ON TOURISM.

THE PURPOSE OF THE HEARING IS To FOCUS ATTENTION ON THE ECONOMIC IMPACT AND EMPLOYMENT IMPACT OF TOURISM AND ILLUSTRATE HOW A WHITE HOUSE CONFERENCE CAN DEVELOP A NATIONAL STRATEGY FOR INCREASED ECONOMIC GROWTH THROUGH TOURISM DEVELOPMENT.

THE HOTEL EMPLOYEES AND RESTAURANT EMPLOYEES INTERNATIONAL UNION SUPPORTS THE EFFORTS OF THESE TWO DISTINGUISHED SUBCOMMITTEES FOR SUCH A CONFERENCE. HOWEVER, WE WOULD URGE AS A NOTE OF CAUTION, THAT HAVING HAD SOME EXPERIENCE IN THESE MATTERS BEFORE, THE AGENDA, WHEN IT IS DEFINED SHOULD HAVE A VERY SPECIAL FOCUS, AND FROM THE STANDPOINT OF OVERSIGHT THE HOUSE THE TOURISM CAUCUS AND ITS SENATE COUNTERPART SHOULD BE THE CONDUITS FOR INFORMATION FLOWING TO THE WHITE HOUSE. IN THIS WAY WE CAN BE ASSURED THAT THOSE WHO ARE INTERESTED IN THIS TYPE OF A NATIONAL MEETING WILL HAVE THE MAXIMUM AMOUNT OF CONTROL POSSIBLE.

LASTLY, WE HAVE BEEN PROUD TO TESTIFY ON TOURISM ISSUES GONG BACK TO THE LATE 1970'S AND APPLAUD THE EFFORTS OF CHAIRMEN OBERSTAR AND RAHALL TO PURSUE THIS WORTHWHILE ENDEAVOR.

COUNTY OF HUDSON
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DIVISION OF CULTURAL & HERITAGE AFFAIRS
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ROBERT C. JANISZEWSKI
COUNTY EXECUTIVE
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DEPARTMENT DIRECTOR

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ADMINISTRATOR

OVERVIEW

The smallest and most densely populated of New Jersey 's 21 counties, Hudson County is a peninsula bounded by Newark Bay, the Passaic and Hackensack rivers on the west, the Hudson River/New York City on the east, the Kill Van Kull waterway on the south, and the landmass of Bergen County on the north. Twelve municipalities comprise 46 square miles with a resident populaton of approximatlely 560,000, nearly 12,000 persons per square mile. Hudson is one of the most ethnically diverse counties in the United States with approximately 87 different primary languages spoken among the students throughout the school system.

Hudson County is home to the oldest European settlement in New Jersey. The Village of Bergen, founded in 1660 by the Dutch West India Company, is now the Bergen Square commercial district in Jersey City, the county seat. From the time of the Dutch and English colonial period until the mid part of the 18th century, light farming, fishing, trading, and leisure/recreation were the primary modes of commerce. From the late 18th century until approximately the late 1970's, Hudson County's economy, because of its strategic location to the New York ports and its access by several major railroad systems, became primarily an industrial one in an urban environment.

The tourism industry in Hudson County, while in its infancy, has grown steadily over the past ten years with an outstanding potential for future growth. The reason for this is for the very same reason that Native American nations, Dutch and English settlers, and American industrialists found it so appealing - location, location, location.

HUDSON COUNTY TOURISM

Presently, Hudson County markets to the motorcoach/group tour market. The primary thrust of the marketing approach is to position it as an affordable spokewheel or homebase from which to visit a destination market and surrounding regional attractions, plus presenting new and different venues. The benefits of staying in Hudson County are:

- Only 1-4 miles to the heart of New York;
- Only 1700 and 2100 feet, respectively, to Ellis Island and the Statue of Liberty via ferries from Liberty State Park in Jersey City;
- Accessible to all major attractions in Northern New Jersey, such as Giants Stadium, the Meadowlands, etc.;

- Hudson County attractions such as the Spirit of New Jersey, World Yacht, Circle Line Manhattan tour boats, designer clothing outlets in Secaucus, the restaurants, shops, and nightlife in Hoboken, and Liberty Science Center;
- Major quality hotels are 25% to 30% less than those in New York;
- New Jersey's room tax is only 6% while New York City's ranges from 21 to 23%;
- Comparable quality restaurants are 20% to 25% less than those in NY;
- Roads and highway ease and accessibility.

According to a study commissioned by the New Jersey Division of Travel and Tourism for 1991 Hudson County was eight among all tourism regions in New Jersey.

Hudson County tourism/hospitality for 1991

- $707.21 million in travel and tourism revenue.
- 11,500 persons employed in the hospitality/tourism industry.
- $195.5 million in wages page to employees in the industry in Hudson County.

The Hudson County Chamber of Commerce and Industry states that the tourism/hospitality industry is the largest industry in Hudson County.

HUDSON COUNTY TOURISM PROMOTION

In 1990 the county's Division of Cultural & Heritage Affairs, also responsible for tourism promotion, created the Hudson County Tourism Committee. The Committee, consisting of the attractions, hotels, restaurants, and related hospitality businesses in Hudson County, develops cooperative ventures to promote Hudson County. These venues have included trade show participation, advertisements in trade journals, and familiarization tours for tour and travel professionals. To date the Committee has presented 3 familiarization tours for 121 professionals from around the United States and Canada. To date approximately $150,000 in group tour business has been booked from the familiarization tours alone. In addition, the county has established a toll free tour planning hotline. The projection for hotel occupancy in Hudson County in 1993 is 79%. This 10% higher than the national average

Without these cooperative partnerships we could not promote tourism, as our county resources are limited in this area.

URBAN TOURISM

The Division of Cultural & Heritage Affairs also has developed specialized tours such as architectural tours of churches and synagogues, diners, and industrial architecture. The living history of our urban areas is an important story to tell, as important to our nation's heritage as the many plantations and estates in the care of the National Trust for Historic Preservation.

These urban tours marketed with an attraction can make for an attractive tour package. As I have heard time and again from the tour operators visiting us on our familiarization tours, "What is new? "We need to sell something different."

THE FUTURE OF TOURISM IN HUDSON COUNTY AND URBAN AREAS

We support H. CON. RES. 110

- It is a growth industry that can provide many jobs. Hudson County looks to the hospitality industry to help replace those jobs lost with the closing of its factories during the past decade. Ancillary, small businesses also can benefit as they provide goods and services needed by hotels, attractions, and restaurants. On a broader view, the regional economy also is stimulated by tourism's growth. If New York does well, we do well.
- Tourism is an environmentally sensitive industry.
- Tourism can enhance a community's image and foster community pride. In our experience, tourism has helped us to rediscover Hudson County's identity, our identity. Showing ourselves to others has made us see what is unique and different about our community
- Our nation needs a comprehensive strategy on tourism policy. It is the only industry to which we have yet to acknowledge that we must compete in globally. Tourism is now the world's largest industry.
- Many issues intersect with a comprehensive tourism policy. Transportation infrastructure is vital to urban areas. For Hudson County to develop a market for the leisure market or individual traveler, we must have a convenient mass transit link.
- The preservation of our historic and cultural resources is imperative. While the protection of individual sites is important, the preservation of historic districts protects the character, the identity of our communities.
  Why do we not do more to protect and showcase our heritage?
  Why do we travel and marvel at the preservation of the heritate of other countries, but do little in deed to protect our own.
- We also must invest in our cultural infrastructure. The life of any great city or urban area is its culture. There was a time in our society when we prided ourselves on the greatness of our cities' cultural venues an architecture. The people of Jersey City understanding this important quality of life issue have saved their beloved Loew's Jersey movie palace from developers wrecking ball. It is their vision that an investment in this structure as a cultural center will successfully turn around a once thriving commercial district and preserve a piece of their heritage.
- Last, I would urge that any conference on tourism include on its advisory panel representatives from arts and humanities and cultural organizations. Culture and tourism issues should be inseparable.

CLOSING

In closing I would like to quote the late Arthur Frommer a pioneer in the American tourism industry.

> "Tourism does not go to a city that has lost its soul. And that condition - the absence of a soul or a theme - has been brought about by the decline and destruction of central, inner cities all over the country."

- Arthur Frommer
  Preservation Forum
  Fall 1988

Testimony of Paul Marinaccio, Executive Director of the New York City Economic Policy and Marketing Group, before the House Subcommittees on Aviation and Surface Transportation August 4, 1993

Good morning Chairmen Oberstar and Rayhall and members of the Subcommittees. My name is Paul Marinaccio. I am the Executive Director of the New York City Economic Policy and Marketing Group and am here on behalf of the administration of the City of New York. It is a pleasure to be before you today to talk with you about the importance of the tourism industry to New York City.

New York City endorses the creation of a White House Conference on Tourism. Such a meeting will provide the leadership and focus necessary to sustain and expand local efforts to attract more travelers to the United States. We believe that the conference is necessary to foster better understanding of the tourism industry by government. This understanding is a prerequisite for the development of federal policies that will enrich the national tourism industry which in turn will help to revitalize urban America. In the absence of a federal tourism agenda that sufficiently leverages the nation's urban assets, New York City has launched a number of initiatives to nourish this industry.

In fact, New York City serves as a gateway for travelers visiting tourist destinations throughout the nation. In 1991, slightly more than 60 percent of all visitors to New York City used our three airports as a port of entry to the nation; these visitors to New York City account for 23.9% of all overseas travelers to the United States. New York City also houses attractions from the Cloisters to Ellis Island to the Empire State Building which encapsulate the American experience. And much of our national identity, as an economic superpower and as a global leader in culture and innovation, is tied to the people, places and history of our five boroughs.

The economic benefits of tourism are clear: Tourism is a $13.3 billion industry supporting 173,000 jobs in New York City's hotels, restaurants, general merchandise, apparel and accessory stores and entertainment and transportation industries. Recognizing the importance of tourism to our local economy, New York City has stepped up our efforts to attract visitors and to spread the benefits of tourism throughout the city. During the summer of 1993, the city and the private sector embarked upon a major new tourism campaign called "NY 93 - Summer in the City." NY 93 is the first collaborative effort by different segments of the tourism industry to help attract visitors to New York. This campaign has leveraged $1.2 million, but this is just a beginning.

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Because Mayor David N. Dinkins considers tourism an economic development tool which can strengthen our communities, he established a Tourism Development Program. This program encourages tourism development in lesser known areas throughout the city and includes a Tourism Grant Program. This year, New York City awarded 53 grants totalling $250,000 to nonprofit groups for tourism related projects. Our Tourism Development Program also supported two promotional efforts. Our "New York City. Yours to Discover." advertising campaign highlights attractions outside of midtown Manhattan, and six public relations firms will feature attractions located in tourism development zones in pro-bono promotional material.

The tourism industry promises growth nationally and I expect New York City's tourism industry to be a part of this upward trend. In keeping with President Clinton's focus on job creation, New York City is looking carefully at ways to accelerate job creation within the tourism industry. Since most travelers to New York City then go on to visit other areas, expanding our tourism industry will likely encourage growth throughout the tri-state region and beyond.

While tourism contributes significantly to our economy and promises growth in the future, New York City still faces some significant challenges in increasing our tourist activity. In 1992, 15.4 million people visited New York City as

compared to 15.9 million in 1990. A spotty recovery and federal policies which neglected urban America throughout the 1980s have contributed to this decline. Decaying infrastructures, products of this neglect, generated negative perceptions of many American cities. New York City continues to battle these perceptions, even while the reality begins to change. The Conference on Tourism would be an ideal opportunity to map out innovative solutions to this issue. And a coordinated effort on the federal level to promote cities as tourist destinations could cohere campaigns by specific localities, and challenge travelers' misconceptions of American cities.

New York City encourages the federal government to find creative ways to bolster our efforts to promote tourism and to pursue policies that link the growth in the tourism industry to the revitalization of urban centers nationwide. Here are several areas where assistance by the federal government could have an immediate impact:

- Currently, maintaining and upgrading our airports, highways and rail lines requires substantial capital investment at a time of constricted municipal resources. We recommend targeting federal spending to service to visitors including the transportation infrastructure.

- As it stands, federal spending on tourism promotion lags far behind investment by other countries in this area. We recommend that the federal government dedicate funds to consumer marketing.

- Finally, we recommend that the federal government takes action to improve the system for processing international travelers upon arrival at the nation's major airports.

We envision a federal tourism policy that increases the benefits of our tourism industry exponentially. New York City looks forward to joining with the federal government to strengthen this vibrant industry which will help our cities thrive into the future.

# # #

GREATER NEW ORLEANS BLACK TOURISM NETWORK, INC.

CONGRESSIONAL HEARING
Subcommittees on Aviation and Surface Transportation

H. Con. Res. 110
White House Conference on Tourism
Wednesday, August 4, 1993
2167 Rayburn House Office Building

Support for a White House Conference on Tourism
Panel 7
Historical Preservation & Cultural Attractions
"A Multicultural Perspective"

Submitted by:
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CONGRESSIONAL HEARING

Subcommittee on Aviation and Surface Transportation
H. Con. Res. 110

WHITE HOUSE CONFERENCE ON TOURISM
Wednesday, August 4, 1993
2167 Rayburn House Office Building

Mr. Chairman, Fellow Panelists, Subcommittee Members, Greetings!

On behalf of the *Greater New Orleans Black Tourism Network (GNOBTN)*, we wish to thank the Congressional Travel and Tourism Caucus for their proposal to initiate a **WHITE HOUSE CONFERENCE ON TOURISM.** Further, we want to thank the United States Travel and Tourism Administration (USTTA) Deputy Under Secretary Designee, Leslie Doggett, for providing the opportunity for us to present to you today.

You have received all of the numbers highlighting the importance of this fast growing industry, so we will not be redundant, instead, we will emphasize for you the importance of a new untapped market that is of interest to domestic and international visitors alike, the Minority Market. Such new market development could benefit eminently from a **WHITE HOUSE CONFERENCE ON TOURISM.**

Multicultural Tourism Development is a key component to any new market trend of the 90s for the Hospitality and Travel Industry. The phenomenal surge of interest in minority culture throughout the south is testimony to that fact. African American heritage tourism is firmly established as one of the fastest growing economic development segments fueling the rapid growth of the tourism industry in the United States.

In its final report to President George Bush in 1990, the Lower Mississippi Delta Development Commission, chaired by then Governor Bill Clinton, called for a Delta African American Heritage Trail.

> "... The Delta Region acts as a microcosm of the African American experience in this country by representing all forms of expressive culture (music, folklife, literature), a wealth of historical sites from all ways of life, and all significant eras from slavery to freedom. While this region is uniquely positioned to develop African American heritage tourism, this heritage is severely underutilized by state tourism programs. Many African American community heritage projects and interpretive facilities of high quality exist in the region, and yet, no linking mechanism such as signage or brochures is available for the traveler. The Delta region has been missing an enormous opportunity."

African American Culture and the preservation of sites significant to its history is luring tourists to the south. This scenario can be duplicated nationwide. Some examples include our historically African American institutions such as Tuskegee Institute in Alabama, where over 400,000 visitors toured in 1992. In that same year, the Civil Rights Memorial in Montgomery, Alabama attracted over 200,000. The National Civil Rights Museum in Memphis, Tennessee counted over 130,000 visitors in its first year of inception. The Civil Rights Institute in Birmingham, Alabama, which opened in November, 1992 reached 100,000 visitors in June, 1993. The King Center in Atlanta also attracts several thousand visitors per year. This is an overwhelming testimony of the demand for our culture!

History and culture are being preserved across this country with little knowledge of the "tourism marketing" tie-in for economic development. A **WHITE HOUSE CONFERENCE ON TOURISM** can direct the leadership and technical assistance necessary to provide major economic impact to both urban and rural areas.

Louisiana has an unparalleled opportunity to become the number one destination for domestic and international leisure, convention, and business travelers of all races who are interested in African American heritage, clearly the largest segment of the expanding cultural tourism market in the United States.

New Orleans is the engine that fuels our state with its cultural attractions, events, music, food, folklore, folklife, art, architecture, educational and cultural institutions, civil rights legacy, diversity and cultural heritage dating back to 1709.

Attracting over 4 billion dollars per year to Louisiana, visitors most often come from Texas, followed by residents of Mississippi, Florida, Alabama, Georgia and California. The average size of the party is 3.9 nights in Louisiana (with 70% staying in hotels/motels) and spend an average of $674 during their stay in the state. Foreign visitors to Louisiana are most likely to come from Canada, Mexico, Germany, France, England and Japan.

There is major growth opportunity in multicultural tourism development for the state and the nation. Interfacing with the local convention and visitors bureau, governmental and political entities, and other pertinent organizations within the hospitality and travel industry, *GNOBTN*, a non-profit organization, has successfully provided a strong liaison between the industry and its underutilized market segment, the minority market.

GNOBTN has amassed a professional cadre of businesses within the minority community, including some start-ups, that provide a quality service to the industry and has also been instrumental in assisting the organization in the successful implementation of its mission. *GNOBTN* has sought the assistance of USTTA from its inception in 1990. In a collaborative effort to assist the growing demands of multicultural tourism development

coming into our office from across the nation, a partnership has evolved. USTTA has participated with *GNOBTN* in its annual Multicultural Tourism Summit and Trade Show by providing educational seminars on international travel. Currently developing a model institute for Tourism Research and Training for frontline employees with a management certification program in tourism, *GNOBTN* has elicited funding support from USTTA and the Minority Business Development Agency (MBDA).

GNOBTN has formed linkages in Africa, Brazil, and the Caribbean for mutual benefits in culture, education and trade. Partnerships being established with other non-profits such as the Africa Travel Association out of New York City, and the Travel Industry Association of America in Washington, DC, will enable *GNOBTN* to achieve in every area of minority tourism development. With the lack of minority research being a major drawback at present, the US Travel Data Center will collaborate with *GNOBTN* to provide relief in that crucial area of need.

We thank you for this time. We challenge you to assist us in cultivating this leadership role for the country and we encourage you to move post-haste to convene a **WHITE HOUSE CONFERENCE ON TOURISM.**

Respectfully Submitted,

Caletha Powell
Executive Director, *GNOBTN*

Mississippi River Parkway Commission

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TESTIMONY

OF

JUDGE GREG PRUITT

ON THE

PROPOSED WHITE HOUSE CONFERENCE ON TOURISM

TO THE

U.S. CONGRESSIONAL

TRAVEL & TOURISM CAUCUS

AUGUST 4, 1993

WASHINGTON, DC

Mr. Chairman, Members of the Committee:

My name is Greg Pruitt and I am presenting testimony today as a member of the Board of the National Mississippi River Parkway Commission and as Chairman of the Kentucky Mississippi River Parkway Commission. I also serve as County Judge/Executive in Hickman County and am a resident of Clinton, Kentucky.

I wish to testify to you today in support of House Concurrent Resolution #110 calling for the President to convene a White House Conference on Tourism. I will present this testimony in the context of the fifty year history of the ten Mississippi River states' cooperative efforts to achieve interrelated tourism and transportation goals. I wish to also briefly comment on the importance of federal support for regional international marketing programs, the ongoing Mississippi River National Heritage Corridor Study, and the need for tourism disaster relief due to the recent Mississippi River flood.

The Mississippi River Parkway Commission was established in 1938 at the urging of the governors of the Mississippi River valley to promote attention to the resources of the Mississippi River valley. The National Commission is comprised of individual state commissions in each of the ten River states and Ontario consisting of legislators, county officials, and general members appointed by the Governors of the states.

The early planning efforts of the Commission, in cooperation with federal, state and local officials led to the development of a scenic parkway along the Mississippi River known as the Great River Road. The concept of the Great River Road was initiated to develop a Mississippi River highway corridor which would provide access to the River's major scenic, historic, and recreation areas while preserving the special quality of the River valley.

To date, over $1.3 billion in federal, state, and local funds have been spent on various highway and amenity projects along the Great River Road. While Congress had provided funds specifically earmarked for the Great River Road, now the states must compete with other interests to obtain their share of ISTEA funds. So far, the Great River Road is benefiting from this new funding program. The Great River Road was also one of the case studies in the development of a National Scenic By-ways program.

In my home state of Kentucky we have greatly benefitted from the Great River Road through the development of numerous highway and amenity projects. Rehabilitation of interstate bridges, raised highway systems, and projects such as restored historic buildings and construction of recreational river facilities are all examples of way Kentucky has benefitted from this program. These transportation and tourism related projects contribute substantially to regional economic development.

In recognition of the benefits that tourism can provide and the substantial investment which has been made in the Great River Road, the Commission has developed and implemented a variety of Mississippi River and Great River Road marketing programs. Domestically, the Great River Road is seen as a tremendous tourism asset that is promoted as a destination by the Commission, state and local agencies, and private business. Recent estimates place the value of tourism expenditures in the 125 counties along the Great River Road at $10 billion per year.

In my state of Kentucky, tourism is vital to the economic health of our state. In 1991 direct spending on tourism had a $5.3 billion impact on our state's economy, while supporting 32,000 jobs for Kentuckians. The Mississippi River and Great River Road are important vehicles by which we can attract visitors and improve economic development.

Internationally, the Mississippi River and the Great River Road are also seen as a tremendous asset that can also significantly impact the economy of our ten state region. In cooperation with the U.S. Travel and Tourism Administration and the tourism officies of the ten states, we have launched a three year international marketing campaign designed to bring international visitors to our region. People throughout the world may not know much about our individual states but they have all heard of the Mississippi River.

We are beginning to see some very real and concrete results from our tourism marketing efforts and place a high value on the support that we receive from the federal government. It is distressing to note however that the U.S. ranks low in the world with respect to the amount of money spent on official programs to attract foreign visitors. As Congress considers this proposal to support a White House Coference on Tourism and in balancing the many worthwhile needs of this great nation, I hope it will take steps to increase funding of U.S. Travel and Tourism Administration programs that are so helpful to regional destination marketing organizations such as ours.

In addition to marketing the Mississippi River and the Great River, we are also seeking to place increased attention on the resources of the River valley through the potential designation of a Mississippi River National Heritage Corridor. At the request of Congress, we are working closely with the three year study of Mississippi River Heritage Corridor Study Commission to complete an inventory of the resources of the River valley and make recommendations on the feasibility of a Corridor designation. This study should be complete in June of 1994.

Congress is currently considering an appropriation for the Mississippi River Heritage Corridor Study Commission for fiscal year 1994. In light of the importance that this study will have in raising national awareness of the tourism and transportation resources of our nation, we ask for your continued support of this important Heritage Corridor concept.

Finally, I would be remiss in my testimony about the importance of tourism and transportation for the Mississippi River states, if I did not mention the disastrous affects on tourism by the recent Mississippi River flood. While substantial damage to crops, homes and property along the River has occurred, additional damage has resulted from the national and international perception that everything is closed and underwater. This is far from the truth. Most all major attractions, hotels, roads airports, and recreational sites are still open for business.

Nevertheless, the perception that the entire region is underwater is causing a serious tourism crisis for our region in addition to other major economic losses. Convention and visitor cancelations are causing millions of dollars in lost tourism revenue affecting us border to border in our ten River states. Consequently, I would urge Congress to seriously consider supporting Tourism Disaster Relief funds for the Mississippi River states to offset this loss of tourism to the region, consistent with relief funds in other emergency areas.

As you can see through the activities from the historical development of the Great River Road, the domestic and international marketing of the Mississippi River, the Mississippi River National Heritage Corridor Study, and the effects of the national disaster of the Mississippi River flood, there is a tremendous relationship between tourism and transportation. Cooperation with federal, state, and local units of government and the private sector has been the key to achieving our recreation and economic development goals.

As a result, the Mississippi River Parkway Commission sees a White House Conference on Tourism as a way to elevate to a new height the importance of tourism and transportation in our nation. There is much we can learn from others with shared experiences to ours, just as I hope others can learn from our experiences in promoting the Mississippi River and the Great River Road in our ten states.

Only through increased national attention on tourism, transportation, and economic development, which we feel will result from a White house Conference on Tourism, can we can better address the economic problems and challenges facing the nation in the years to come.

Respectfully Submitted by,

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Judge Greg Pruitt, Director

Mississippi River Parkway Commission

TESTIMONY OF MR. JACK RUTTGER

BEFORE THE SUBCOMMITTEES ON AVIATION AND SURFACE TRANSPORTATION

AUGUST 4, 1993 HEARING ON HOUSE CONCURRENT RESOLUTION 110

MR. CHAIRMAN:

MY NAME IS JACK RUTTGER. I AM THE OWNER OF A MEDIUM SIZED MINNESOTA RESORT, ON A LAKE IN CONGRESSMAN OBERSTAR'S DISTRICT. I WAS BORN AND RAISED ON THE RESORT PROPERTY AS WAS MY FATHER. TOURISM HAS BEEN OUR LIVING FOR 96 YEARS, AS A RUTTGER FAMILY. IN THE BEGINNING PEOPLE CAME BY TRAIN, THEN BY BUCKBOARD TO THE LAKE WHERE GRANDMA FED THEM HARDY MEALS. THE FOOD AND FISHING WERE SO GOOD THAT THEY SLEPT ON THE BANK OF THE LAKE, IN THE HAY AND THEN IN TENTS. FROM THAT VERY PRIMITIVE, INNOCENT BEGINNING WE HAVE GROWN TO OUR PRESENT SIZE-- WE ACCOMMODATE UP TO 375 PEOPLE- FULL SERVICE NOW.

FROM THE BEGINNING, THE ENVIRONMENT HAS BEEN AN ASSET TO US. WE ARE AN ENVIRONMENTALLY CONCERNED INDUSTRY. WE CONSTANTLY WORK FOR CLEAN LAKES AND PRISTINE FORESTS. THERE ARE STRONG LAKE ASSOCIATIONS IN MINNESOTA. OURS IS THE BAY LAKE IMPROVEMENT ASSOCIATION. OUR STATE RESORT ASSOCIATION MEETS WITH THE TIMBER INDUSTRY TO WORK TOGETHER TO PRESERVE OUR FORESTS AS BEST WE CAN. IT IS COMMON FOR RESORTS TO SHOWCASE THEIR NATURAL SETTING: WE OFFER NATURE HIKES TO HIGHLIGHT THE HUNDREDS OF VARIETIES OF WILD FLOWERS AND TO POINT OUT OTHER NATURAL WONDERS; WE HAVE BIRD WATCHING TOURS WHERE AT LEAST A HUNDRED SPECIES OF BIRDS CAN BE SEEN ON OUR 400 ACRE RESORT PROPERTY; WE HAVE A SLIDE SHOW ON THE LOON AFTER WHICH WE TAKE A

TOUR OF THE LAKE TO SEE THE LOONS (IN EARLY SUMMER IT IS COMMON TO SEE 2 BABIES RIDING ON THEIR MOTHER'S BACK) AND ALSO TO LOOK AT A BALD EAGLE'S NEST ON THE ISLAND IN FRONT OF THE RESORT. A GOOD CLEAN ENVIRONMENT MEANS A LOT TO US; OUR INDUSTRY. WE ARE VERY PROTECTIVE OF IT.

TOURISM IS ONE OF THE TOP 3 INDUSTRIES IN MINNESOTA, AS IT IS IN MOST ALL OF THE OTHER 49 STATES. WHERE TIMBER, AGRICULTURE, AND MINING ARE STATIC IN OUR STATE, TOURISM SHOWS THE MOST PROMISE FOR GROWTH. THOSE INVOLVED IN THE BUSINESS WORK HARD TO ENSURE THAT THIS POTENTIAL IS FULFILLED. OUR STATE DEPARTMENT OF TOURISM DOES WHAT IT CAN TO PROMOTE TOURISM WITH A LIMITED BUDGET OF ABOUT $6 MILLION ANNUALLY. GOVERNMENT OFFICIALS IN OUR STATE AND PEOPLE IN GENERAL DON'T LOOK UPON OUR INDUSTRY AS "LEGITIMATE". WE ARE NOT, IN THEIR EYES, A MAJOR ECONOMIC FORCE. YET, AS AN INDUSTRY WE ARE THE SECOND LARGEST EMPLOYER IN MINNESOTA.

I HAVE LIVED THAT SCENARIO ALL OF MY LIFE. WHEN I WAS GROWING UP IN THE RESORT BUSINESS, I REMEMBER MY FATHER PRINTING ACROSS THE FACE OF THE RESORT CHECKS; "THESE ARE TOURIST DOLLARS". HE WAS A TRUE PIONEER IN THE INDUSTRY. HE WANTED THE GROCER, THE LUMBERYARD, THE CLOTHIER, THE UTILITIES, AND ANY ANYONE ELSE HE BOUGHT FROM TO RECOGNIZE THE GREAT VALUE OF TOURISM. HE WANTED THEM TO KNOW THAT TOURIST DOLLARS PAID FOR THOSE ITEMS. HERE WE ARE A GENERATION LATER AND THERE ARE STILL TOO MANY THAT DON'T KNOW WHERE THE DOLLARS COME FROM.

TODAY, THE WORLD IS JUST HOURS AWAY. PEOPLE ARE CAPITALIZING ON THIS CONVENIENCE AND SPENDING MORE AND MORE OF THEIR INCOME ON TRAVEL. TRAVEL IS OUR NATION'S NUMBER ONE EXPORT. IT BROUGHT IN $64.2 BILLION IN 1991 WITH A USTTA BUDGET OF UNDER $20 MILLION. WE ARE THE NATION'S SECOND LARGEST EMPLOYER WITH A PAYROLL OF $91 BILLION DOLLARS. YET, THE U.S. RANKS 20TH IN THE WORLD ON MONEY SPENT TO ATTRACT FOREIGN VISITORS. CLEARLY, THERE IS NOT A GOOD UNDERSTANDING OF THE TRAVEL BUSINESS BY THE RIGHT PEOPLE. THE WHITE HOUSE CONFERENCE WILL HELP CORRECT MANY OF THESE MISCONCEPTIONS ABOUT TOURISM.

I KNOW IN MINNESOTA WE ARE CONSTANTLY TRYING TO EDUCATE OUR PUBLIC OFFICIALS ON THE MERITS OF OUR INDUSTRY. WE TEACH THEM THAT ONE DOLLAR INVESTED FOR TOURISM DEVELOPMENT RETURNS 2 OR 3 DOLLARS TO THE STATE IN TAXES. AFTER SERVING ON THE ADVISORY COMMITTEE OF THE TOURISM CAUCUS, I HAVE LEARNED THAT CONGRESS IS NO FURTHER ALONG THAN MINNESOTA. FACT IS OUR LITTLE STATE HAS A BUDGET OF $6 MILLION ANNUALLY TO SPEND ON TOURISM MARKETING, WHILE CONGRESS APPROPRIATES ONLY 3 TIMES AS MUCH FOR TOURISM PROMOTION FOR THE ENTIRE COUNTRY. WHY THE RELUCTANCE TO INCREASE USTTA'S BUDGET WHEN IT RETURNS ITSELF EACH YEAR, SEVERAL TIMES OVER? USTTA'S BUDGET IS AN INVESTMENT. THE RETURN IS A SURE THING.

IN THE SUMMER TIME IN A LITTLE VILLAGE CLOSE TO OUR RESORT, THE OUT OF TOWN, OUT OF STATE CARS ROLL IN. THE MERCHANTS AND THE PEOPLE EMPLOYED BY THEM AND THE TOWN RESIDENTS THINK THAT THIS PHENOMENON JUST HAPPENS. SOME OF THAT TRAFFIC IS NATURAL, PEOPLE HEADING

NORTH. HOWEVER, MUCH OF IT IS FROM THE TRADITIONAL EFFORTS OF PEOPLE LIKE US AND A GOOD DEAL IS FROM THE EFFORTS OF OUR STATE TOURISM DEPARTMENT. THE POINT IS, IT TOOK TREMENDOUS EFFORT TO GENERATE THIS INTEREST IN VISITING MINNESOTA.

THE UNDERSTANDING OF TOURIST TRAVEL IS IN ITS INFANCY. THE OPPORTUNITY TO EXPAND THIS UNDERSTANDING IS TRULY HERE. A WHITE HOUSE CONFERENCE ON TOURISM WILL PROVIDE THE OPPORTUNITY TO EDUCATE GOVERNMENT OFFICIALS AND OTHER LEADERS ABOUT THE VALUE OF TRAVEL AND TOURISM TO THE NATION'S ECONOMY.

A TRAVELERS MONEY IS GOOD MONEY, NEW MONEY TO A COMMUNITY. BE IT A TRAVELER FORM IOWA TO MINNESOTA OR GERMANY TO WISCONSIN, IT'S NEW MONEY TO CIRCULATE IN THE COMMUNITY. NEW MONEY THAT CREATES EMPLOYMENT AND TAXES FOR THE STATE.

THE WHITE HOUSE CONFERENCE ON TOURISM WOULD PROVIDE A MUCH NEEDED FORUM FOR FOCUSING ATTENTION ON TRAVEL AND TOURISM'S IMPORTANCE AS AN ECONOMIC GENERATOR. IT WILL ADDRESS THE PROBLEMS AND CHALLENGES FACING THE INDUSTRY AND IT WILL LEAD TO A BETTER UNDERSTANDING OF TOURISM.

Newark

Sharpe James
Mayor

Office of the Mayor

920 Broad Street
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Everett Shaw
Deputy Mayor for
Economic Development

STATEMENT IN SUPPORT OF HOUSE CONCURRENT RESOLUTION 110 URGING THE CONVENING OF THE WHITE HOUSE CONFERENCE ON TOURISM

Presented By: Everett Shaw
Deputy Mayor for Economic Development - City of Newark and
President - Renaissance Newark, Inc.

August 4, 1993

As Deputy Mayor, and an economic development official of a large urban center, my testimony today, while in a general way addressing the entire subject before this committee will in part offer a specific urban perspective on this matter.

Tourism, transportation, and urban centers are unquestionably and obviously very interdependent and, indeed, desirably intertwined. Tourism in its simplest definition is people spending money; transportation in its simplest purpose is the movement of people; and the baseline of urban centers since the beginning of civilization has been to serve as the human marketplace. A place quite simply which serves as the only place for multitudes of people from different backgrounds history, race, ethnicity, religion are drawn together by overwhelming common need and interest to share an experience. For those of us gathered today, it is the American experience that is central to what we seek to support and serve.

The importance of the urban experience in no way lessens the need that the total American experience must be packaged to include that which is rural, suburban and urban as well. It is our opinion that the American experience, the total American experience and total exposure to that experience could and should be the centerpiece to any national showcasing of America as a destination point for tourists from throughout the world as well as for tourists from throughout our own nation.

Inherent in any initiative to develop a comprehensive tourism program, should and must be the basic ingredients of helping others to understand us as a nation as well as helping us to understand each other as a country. With the exception of nature's gifts of beauty and wonderment, all that is historically significant and all

significant activities are a product of all of us as a collective people. Central to that which we have accomplished as a people has been the common denominator of transportation. Transportation is that physical thread which has sewn together our nation's human fabric. It can be stated without any reservation or equivocation that our nation's economy historically has been transportation based and our nation's economic future will be transportation driven. A tourist's view of us as a people and our history as one, or a tourist's view of our great natural sites can only be accomplished through our transportation network.

The importance that those of us who work in urban centers place on the work of this committee cannot be overstated, and the role the urban centers must play in the fulfillment of the mission of this body cannot be over-emphasized.

Tourism is a powerful economic tool and as such a vital element in our economic vitality. The interests of the world in us as a nation, and the unique and remarkable leadership role that we have played for over 200 years postures us in the eyes of the world as a enormously attractive setting of people and places.

Consequently, tourism is uniquely positioned with the potential for an enormous growth industry, which has heretofore been under-utilized as an important stimulus for the urban economy. Thus, investment by the Federal Government in tourism can play the dual roles of catalyst for an emerging industry and provider of much needed jobs, business opportunities and tax revenues for urban centers and their residents. The economic engine generated by tourism may equal and even surpass the best jobs programs in addressing the needs of the cities residents, particularly the minority community. Therefore, we as a nation must do more to encourage tourism and movement among ourselves, for in the case of the latter, such movements will fuel not only economic growth, but civic development and social understanding as well. It is only through such development that we as a nation of people will continue the melting pot process that we commonly reference as assimilation.

Therefore, there is an absolute and urgent need for urban centers to play a critical role in fulfilling the crucial need for a national comprehensive tourism program. Our urban centers have an enormous amount to offer. For example, urban centers are the holders of our history, the history of our people, a history of our culture, the history of our professions, the history of entertainment, the history of our social growth and underlying all else, the history of our economic development. Additionally, our urban centers are the holders of major facilities such as sports stadiums, convention halls, aquariums, museums, galleries and a number of our institutions of higher learning.

In spite of the fact that our urban centers have these assets, our need to be part of a national tourism strategy is enormous. To be part of that strategy we need to continue federal investments which improve our transportation network, which in turn allow people to visit and view. We need the continual federal investment that helps to move the urban markets to be competitive in today's economic environment and we continue to need federal investment and programs designed to help our citizens to become more productive participants in all of our plans, projects and proposals.

What is needed now and in addition to that previously referenced is federal leadership in how we bring ourselves, urban, suburban, rural, together as a true mecca for tourism to those both outside of as well as within our country. We need the leadership of the Federal Government and we need the resources of the Federal Government that encourage elected CEOs at all levels of government to fully recognize and fully embrace tourism as the vital and vibrant element of economic growth that it so adequately poses. We need help to package ourselves as destination points for tourism, and all of us need help to begin packaging our locally based efforts into a wider regional, state and national campaign. It is the packaging of all which is critical, for our rural areas have been blessed with and have present so many awesome displays of nature, while our urban areas were blessed by geography and transportation resources beginning with rivers and harbors that allowed them to serve as the center of our greatest growth, including our political revolution, our economic revolution, as home to new arrivals from other lands, to research and development by our great inventors and most importantly, a place where the melting pot provided the essential ingredients to assimilation.

Let us also agree that in any future tourism initiative, that we place as much importance on seeing a process, products and works of our people as we do on the processes products and sites of nature. Let us commit ourselves to a holistic approach of not merely recognizing one inventor's contribution, but also showing the work and history of those people who mass produced that invention. Let us tie the history of our people and places together so that the patterns of people's productivity and participation present a profile that offers enormous attraction and appeal to potential tourists both from without, as well as within our country.

Testimony of the Society for Advancement of Travel for the Handicapped Before the Subcommittees on Aviation and Surface Transportation, August 4, 1993.

My name is Dr. Harold W. Snider. My office and residence are located at 1220 East-West Highway, Suite 1222, Silver Spring, Maryland 20910. My telephone number is 301-587-4617, and my fax number is 301-587-4924. I am the Washington Representative and Director of Governmental Affairs for the Society for Advancement of Travel for the Handicapped (SATH). The headquarters of SATH are located in New York City.

SATH is a non-profit tax-exempt charity whose sole purpose is to promote and improve travel and tourism opportunities for people with disabilities in this country and abroad. The Society has approximately 3500 dues paying members. These members include travel industry entities such as airlines, bus companies, hotels, and travel agents. Individuals with disabilities also comprise a substantial proportion of the membership. SATH acts as a bridge between the travel industry and persons with disabilities. Since its founding in 1976, SATH has held over a dozen international conferences on travel and tourism for people with disabilities. It is an affiliate member of the World Tourism Organization. It has published and distributed 250,000 copies of the 48-page brochure The United States Welcomes Handicapped Visitors, since 1984. SATH has represented the interests of disabled travelers on three Federal Advisory Committees, most notably the committee which negotiated regulations to implement the Air Carriers Access Act of 1986. The Society was a member of the ad hoc task force which helped to draft and pass the Americans with Disabilities Act of 1990, landmark civil rights legislation for people with disabilities. SATH developed and initiated a National Awareness Week for Travelers with Disabilities, which is now supported by proclamations from most state governors.

SATH is here today to strongly support House Congressional Resolution 110, a proposal to convene a White House Conference on Tourism. From our perspective, there are a wide variety of barriers to tourism which such a White House Conference could ameliorate. I would like to describe several of these barriers briefly, and I would like to tell you how a White House Conference would improve tourism opportunities for persons with disabilities.

Although the Americans with Disabilities Act was passed over three years ago, and regulations to guarantee access to tourism facilities and public accommodations such as restaurants, hotels, and amusement parks came into force on January 26, 1992, discrimination is still rampant and pervasive. For instance, in Congressman Oberstar's district, Valley Fair Amusement Park refuses to allow blind persons and other disabled persons to participate on rides in the park. Valley Fair has chosen to take the matter to court, even after the state of Minnesota found them in violation of state civil rights laws. In our opinion, the reasons for this unwarranted discrimination are simple hard-headed invincible

ignorance and prejudice. Such discrimination would be far less pervasive if the Department of Justice was able to do a better job of providing technical assistance to travel and tourism entities who must comply with the ADA.

The Department of Justice is responsible for providing technical assistance to help with compliance for Titles II and III of the Americans with Disabilities Act. However, only a very small fraction of that technical assistance money has gone to travel and tourism entities. In fact, the American Hotel and Motel Association was the only travel and tourism entity to receive a grant to provide technical assistance for its members on the ADA. Such technical assistance must increase if our industry is to comply with this law. Congress and the Executive Branch cannot just pass and implement complex laws and expect instant compliance by our industry. An industry-wide education campaign must be initiated to teach the travel and tourism industry about the ADA. A White House Conference on Tourism is a good place from which to launch such a campaign.

On another matter, the United States Travel and Tourism Administration must expend some resources in revising the booklet The United States Welcomes Visitors with Disabilities. Eight critical years have passed since I wrote and revised the booklet. Visitors with disabilities from abroad badly need current information. Since the booklet was written, The Air Carriers Access Act and the Americans with Disabilities Act have vastly changed the landscape for visitors with disabilities to the United States. The revised booklet should be ready for distribution as an activity of a White House Conference on Tourism.

On another matter, Congressman Jim Ramstead has introduced a bill entitled the Americans with Disabilities Business Development Act. This bill would include persons with disabilities in the minority business program of the Small Business Administration. SATH knows of many people with disabilities who own or are planning to start small businesses in the travel and tourism industry. Passage of this legislation would ensure that these businesses have a fair chance of success. However, the legislation is currently bottled up in committee. People with disabilities who own businesses within the travel and tourism industry should be able to participate in a White House Conference on Tourism with equality.

As an example of forward thinking, in an attempt to eliminate barriers to tourism, the city of Talladega, Alabama is making major changes in accessibility to accommodate disabled tourists and retirees. This is good economic development strategy, since such accessibility costs very little. SATH encourages more cities and small towns to jump on the Talladega bandwagon. This message could be more widespread if there was a White House Conference on Tourism.

On Saturday, July 31, 1993, Mr. Rick Douglas, Executive Director of the President's Committee on Employment of People with Disabilities, was denied boarding on a United Express commuter flight to Allentown, PA, unless he could board unassisted. Mr. Douglas, who normally uses a wheelchair, crawled up the steps of the aircraft while the crew looked on. This humiliating treatment made the front page of the Washington Post on Monday, August 2, 1993. I urge Congressman Oberstar's Subcommittee on Aviation to carefully investigate this matter along with the Department of Transportation to determine whether a change in regulations may be necessary.

Unfortunately, Congress has failed to eliminate its own barriers to tourism. Although there is an Office of Special Services in the Capitol Building which gives tours to visitor with disabilities, guards in House and Senate office buildings have not received specific training to work with visitors who have disabilities, and who must pass through metal detectors or be given oral directions. Restaurants, cafeterias, and snack bars in both the House and Senate are substantially inaccessible to many visitors with disabilities. For instance, the ADA requires that restaurant menus be put into an accessible form, either in Braille, on cassette tape, or in large print. None of the restaurants, cafeterias, or snack bars within the confines of Congress have such accessible menus. Staff members have not received training in how to assist visitors with disabilities. Yet, Congress did not exempt itself from the provisions of ADA. In many Congressional offices, staff members who help ordinary visitors arrange tours of such places as the White House, FBI, and the Capitol, do not have the knowledge or training to assist visitors with disabilities. A good access guide to the Capitol and to House and Senate office buildings is sorely needed, and SATH pledges its help in the preparation of such a guide. Congress itself could easily eliminate barriers to tourism by complying with ADA regulations. A White House Conference on Tourism would be a good showcase for the Congress to show what it has done to eliminate these barriers to tourism.

Finally, the watchwords for SATH in the 1990s are **ACCESSIBILITY**, **AWARENESS**, and **ATTITUDE**. These three watchwords sum up barriers to tourism which could be eliminated through a White House Conference on Tourism. We pledge to work with Congress and the Executive Branch of the Federal Government to make a White House Conference on Tourism successful.

TESTIMONY

by

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before

THE SUBCOMMITTEES ON
AVIATION AND SURFACE TRANSPORTATION

Hearings on

H. Con. Res. 110
White House Conference on Tourism

Wednesday, August 4, 1993

Cultural Tourism in the United States

"The most beautiful and important thing a people can do is create an art form. An art form can influence your thinking, your feeling, the way you dress, the way you walk, how you talk, what you do with yourself. It has the power because it contains structure, development, contrast, emotion and soul." Wynton Marsalis spoke these words about jazz, but I think they apply to all the arts in a community. Dance, music, literature, theater, the visual arts--they all provide both a source of identity for a community and a window into that community for visitors who want to learn about it.

I would like to share with you one story about the power of the arts--and tourism. The story was told by Beverly Robinson, a folklorist at the Smithsonian's Folklife Festival, one of Washington's premier tourist events.

A group of Ghanaian musicians was performing on a Festival stage when some African-American fife and drum players from Mississippi came by playing a tune. The Ghanaians stopped their performance and started moving their hands from their chests toward the audience as though they were lamenting. The Ghanaians and their audience walked over to join the fife and drum players. After some confused discussion, the performers sorted it all out: the fife and drum players were performing a piece which the Ghanaians recognized as an African funeral lament; they were walking over to pay their respects to the deceased.

Two groups, one African, one African-American, discovered their shared culture--while visitors from all over the United States witnessed their discovery. Truly, the arts--and tourism--can bring people together.

Incidentally, the Arts Endowment recently gave a National Heritage Award to Othar Turner, a fife player and maker from Mississippi.

I would ask you to keep that story in mind as we discuss the economic significance of the arts and tourism. It helps to remember that the arts and tourism each--when at their best--are far more than sources of revenues.

You have heard earlier today of the significance of the travel and tourism industry in the U.S. economy, but you may be somewhat surprised at the size of the arts industries.

When John Naisbitt sat down with Patricia Aburdene to write Megatrends 2000: Ten New Directions for the 1990's (New York: William Morrow and Company, Inc., 1990), they identified the "booming global economy of the 1990's" as the most important trend." The second most important trend for the decade, they predicted, will be the renaissance in the arts. They note that this is "a spiritual quest, but its economic implications are staggering. . . The affluent information society has laid the economic groundwork for the renaissance, creating new patrons whose wealth would make the Borgias green with envy. More important, it has spawned an educated, professional and increasingly female work force. For people committed to personal fitness programs, spectator sports hold less allure; they prefer to spend Sunday afternoon at a museum rather than watching football on TV."

In fact, the Bureau of Economic Analysis reports that in 1990 Americans spent more on live entertainment (theaters, operas, and other nonprofit institutions) than on spectator sports events--$4.9 billion versus $4.5 billion. The creative arts industries employ more than 3 million people and account for nearly 6% of the Gross National Product or $314.5 billion.

But what is the relationship of the the arts to tourism? The connection is found in tourists who include historic sites, museums, the visual arts, and/or the performing arts as significant elements of their travel. These "cultural tourists" buy tickets to the theater and pay admission fees at museums--and travel and tourism research indicates there are more and more of them.

Research on the "Cultural Tourist"

The Arts Endowment's most recent Survey of Public Participation in the Arts from 1985 clearly indicated a strong correlation between the level of an individual's education and his or her interest in the arts; there is a similar--but not as strong--relationship between an individual's income and the arts (see Chart 1). Of those with some graduate edu-cation, 56% visited an art museum, 40% attended a musical, 28% attended a classical music performance, and 36% attended a play at least once in a year.

The baby-boomers--almost 80 million of them--are beginning to show a little grey in the temples now. One in four of the baby-boomers have some graduate-level education compared to one in five in the general population of the U.S. (see Chart 2).

Many of the baby-boomers are now closer to 50 than to 40. They have probably made the major purchases of their lives--with the possible exception of paying off their children's tuition bills. Suzanne Cook of the U.S. Travel Data Center concludes: The one thing the baby-boomers have left to collect is *experiences*--and that's what travel and the arts offer.

How much interest is there among domestic travelers in cultural activities? According to a recent survey by D.K. Shifflet & Associates, 30% of all U.S. households visited a historic site, district or building while travelling during 1991; 24% visited a museum or art gallery, 17% attended a play or concert, 25% went to a festival or craft fair and 28% bought local/ethnic food or crafts (see Chart 3).

The U.S. Travel and Tourism Administration--the best source for data on international visitors to the U.S.--reports that, among visitors from the four largest overseas markets for the U.S., 40% of the travel market (or 12.6 million people) are interested in cultural activities (see Chart 4). USTTA's 1991 inflight surveys indicated that, of overseas visitors to the U.S. from those same markets, 24.7% visited

an art gallery or a museum during their trip and 16.8% attended a concert, play or musical. Visiting a gallery or museum ranked ninth on a list of 18 leisure/ recreational activities; attending a performing arts event ranked twelfth (see Charts 5 and 6).

Major Cultural Attractions

If you think about *the kinds of cultural resources that attract tourists,* you will probably think first of historic sites, buildings and districts; the visual arts in museums and galleries; and the performing arts in a variety of settings.

The research clearly indicates that visiting historic sites is at the heart of cultural tourism (overseas visitors rank that sixth). But I'll leave a discussion of the historic preservation aspects of cultural tourism to your next presenter, Cheryl Hargrove of the National Trust for Historic Preservation. I will pause for a word from my sponsor (and steal a little of Cheryl's thunder) by mentioning that the Trust's Heritage Tourism Initiative was funded in large part by an Arts Endowment Challenge Grant for $300,000.

If you think about museums, theaters, concerts and tourism, you'll probably think first of New York City--and you'd be right. The Port Authority of New York and New Jersey conducted a study some years ago that concluded the arts contributed $5.6 billion and 117,000 jobs to the city's economy; annual arts attendance was 64 million, with 20% being tourists. Over half the visitors came to New York because of the arts (41.6%) or extended their stay an average of two days because of the arts (15.6%). The Port Authority study is presently being updated.

More recently, the Metropolitan Museum of Art reported that 475,000 of the 642,000 people who viewed the four-month long exhibition of works by Seurat came from outside New York City and spent more than $300 million on travel, hotels, restaurants and shopping.

Beyond New York City, you might think about several large cities and their major arts institutions. Boston, Chicago, San Francisco, Washington, D.C. They have great symphonies, superb museums, outstanding performing arts centers, galleries, great dance, music, and theater.

Or you might think of cities that have planned entire cultural districts; Pittsburgh, for example. By creating a performing arts district around Heinz Hall and preserving 51 turn-of-the-century buildings, Pittsburgh's Cultural Trust has used the performing arts as the linchpin for the city's downtown redevelopment.

Or you might think of a city like Santa Fe, rich with arts resources far beyond other cities of its size. Or New Orleans for its rich jazz heritage.

You may also think of summer performing arts centers like Tanglewood or Saratoga. Or festivals such as Jacob's Pillow, the Aspen Music Festival, or the Spoleto Festival. The Spoleto Festival alone generates a direct economic impact of more than $12 million for the city of Charleston, South Carolina, and--even more importantly from a tourism point of view--has given Charleston "top-of-the-mind" status as a tourist destination even outside of festival time.

The Arts and Tourism in Rural America

I'd like to turn from the big cities to discuss another aspect of cultural tourism, one that has been important at the Endowment for years but is even more important now with the Endowment's participation in the National Initiative on Rural America and its Rural Tourism Task Force.

Culture in rural areas--dance, music, theater and the visual arts as well as a wide variety of museums--has a very important part in defining the sense of place, the sense of identity that a town or county cherishes. The folk arts in particular often lie at the very heart of a rural community's identity.

For more than 25 years now, the Arts Endowment has been supporting arts activities throughout the nation, many of them in rural areas. And many of these grants have supported projects that attract tourists. For example, our Folk Arts Program awarded grants to the Folklife Institute of Central Kansas to prepare a series of presentations on Swedish woodworking traditions in Lindsborg, Kansas, and to the Kansas State Historical Society for a traveling exhibition on custom-made cowboy boots. Kansas, I am told, is the original home of the cowboy boot; trail-drivers were paid at the end of the drive in Dodge City and tended to buy their boots there when their pockets were still full. Those exhibitions serve double duty: they inform tourists about the uniqueness of the places they are visiting, and they also reinforce the community identity and pride of the local residents.

You may recognize a few rural attractions which are also recipients of Endowment funding: Horse Cave Theater in Kentucky; Lime Kiln Theater in Lexington, Virginia; Cresson Lake Playhouse, Ebensburg, Pennsylvania; Old Creamery Theatre Company, Garrison, Iowa; Appalshop in Whitesburg, Kentucky; "An Appalachian Summer" in Boone, North Carolina; the Festival at Sandpoint in Idaho; the Music Festival of Arkansas in Fayetteville; Amana Artists' Guild in Iowa; and the Cowboy Poetry Festival in Elko, Nevada.

The Arts Endowment and Cultural Tourism

The Arts Endowment, then, is interested in tourism because we would like to help artists and arts organizations develop more earned revenue--like the dollars that tourists spend--and nourish the notion of our nation's boundlessly rich and varied culture, a nation with a quality of soul too often belied by billboards, violence and intolerance.

I would like to cite a few examples of Endowment-supported cultural activities that serve also as tourist attractions.

Bethel German Colony

Historic Bethel German Colony, 48 miles west of Hannibal in Shelby County, Missouri, has a population of 132 residents and a thriving artists' colony. Bethel hosts an art school and several festivals. Bethel's **Mid-America Old-Time Fiddle Convention**, funded in part by both the Endowment and the Missouri Arts Council, attracts the best fiddlers in the midwest and they, in turn, draw about 30,000 visitors. It has evolved from a two-day contest to a week-long program that includes the only Youth Fiddle Camp in America.

Mississippi Delta Blues

In what may be one of the Endowment's most unusual grants, our Folk Arts Program recently awarded a grant to the Mississippi Department of Economic and Community Development. What could the Arts Endowment and a Department of Economic and Community Development have in common?

The answer is--the blues. No, not budget blues. But the real blues like those sung by B.B. King. The blues were born in the Mississippi Delta, where B.B. still spends a lot of his time. The 14 counties of the Delta already receive $98 million in expenditures by tourists, but the Mississippi Division of Tourism Development would like to increase that. The Division has worked with the counties and the communities of Greenville, Clarksdale and Greenwood, to create a plan to present new and existing blues events and promote them to travelers while at the same time assuring that the blues are presented in an historically accurate context. With the support of the Endowment and the Mississippi Division of Tourism Development, the Mississippi Blues Commission is working to do just that.

Scenic Byways in Iowa

The Endowment's Design Arts Program has funded three landscape architect positions with the U.S. Department of Agriculture's Soil Conservation Service. One of these architects, Mimi Askew, working for the Golden Hills Resource Conservation and Development Office in the southwestern corner of Iowa, has been helping a multicounty citizen's task force develop a system of scenic byways to traverse the Loess Hills. The byways project generated interest in a more comprehensive and coordinated approach to economic development in the area and led to the formation of a new multicounty organization, the Loess Hills Promotional Corporation, to oversee further planning, development and marketing of the byway in coordination with the Western Iowa Tourism Region and the Siouxland Interstate Metropolitan Planning Commission.

Because the Design Arts Program addresses, among other disciplines, architecture, landscape architecture, planning and historic preservation, it supports many projects with direct tourism implications.

Local Arts Agencies

The Endowment's Local Arts Agencies Program encourages local arts agencies to engage in a community planning process that includes representatives from business, government, civic, tourism and economic development interests. The local arts agency in Rock Hill, South Carolina, for instance, planned the creation of a gateway into the town through the placement of major art pieces representing the spirit of Rock Hill--helping to create an identity tourists can recognize. Steamboat Springs, Colorado's local arts agency is working to develop arts projects that will provide more activities for residents and visitors alike, thus helping differentiate

Steamboat Springs from other ski resort areas. The local arts agency in San Diego, California, has worked with the city's tourism industry to create a program promoting the city's many cultural attractions for visitors.

Native American Arts

The Red Earth Festival brings nearly 2,000 Native American artists and performers, over 160,000 visitors and $2.5 million in revenues to Oklahoma City annually. The largest Native American festival in the U.S. gives Oklahoma City an international audience. Many Arts Endowment programs support a wide variety of Native American arts activities.

Art in Public Places

Works of art in public places and well-designed environments like the Vietnam Veterans Memorial in Washington, D.C., and the Women's Rights National Historical Park in Seneca Falls, New York, can inspire and educate residents and visitors alike. Phoenix, Arizona, has committed itself to art in public places projects; Jim Ballinger, director of the Phoenix Art Museum, predicts: "By 1996, the entire cultural face of this community will be something to behold." The Endowment's Visual Arts and Design Arts Programs support art in public places as well as design competitions.

State Arts Agencies

The Endowment's public partners in the states frequently work with their state tourism offices to develop calendars of events, make it easier for tourists to patronize arts events, and strengthen arts organizations that attract tourists. As part of its participation in the National Initiative on Rural America, the Endowment awarded several grants making connections between the arts and rural development and among the Endowment, state arts agencies and other federal agencies.

Three state arts agencies undertook tourism-related projects: the Maine Arts Council is working to develop ways to promote Native American and traditional arts and crafts, the Oregon Arts Commission is working to develop educational brochures and tour packages designed to draw tourists into rural eastern Oregon, and the South Dakota Arts Council is working to develop a backroads byway that passes through several small towns with arts attractions and several Native American reservations.

Other Activities

The Endowment has been working with the Travel Industry Association of America's National Council of Travel Attractions, the Travel and Tourism Research Association, and the National Assembly of Local Arts Agencies to find more and better ways to build connections between the arts and tourism. The Endowment helped support the USTTA's first National Conference on Rural Tourism and is continuing to work with USTTA in promoting both rural and minority tourism; we are also working with the National Initiative on Rural America's Rural Tourism Task Force.

The Next Steps

While the connection between the arts and tourism is becoming more and more evident as well as more and more important, determining the next steps in helping arts organizations tap into the tourism industry is difficult.

While the U.S. Travel and Tourism Administration's research on international visitors to the U.S. provides excellent data on their interest in cultural activities, there is no comparable data on domestic cultural tourism. Obtaining such data could help convince both arts organizations and the tourism industry of the very real potential for increased revenues through tourism.

Building alliances between arts organizations and the tourism industry is often complicated by the stereotypes each group has of the other. Meeting and working with each other is the only way to overcome these stereotypes, but how can we encourage the first steps?

Local arts agencies may hold an important key to developing cultural tourism in the United States. Already, many of the special initiatives in U.S. cultural tourism are either directed or inspired by local arts agencies. The National Assembly of Local Arts Agencies, at its 1993 annual convention, featured a series of panels on cultural tourism and is beginning to work its way through the issue.

Arts organizations throughout the United States stand to benefit--through increased attendance and revenues--from alliances with the travel and tourism industry. Such alliances would help ease the serious financial problems arts organizations in the U.S. face today. And the country stands to gain a better understanding of itself, its history and its people.

Thank you very much for your attention.

Chart 1

NATIONAL ENDOWMENT FOR THE ARTS
SURVEY OF PUBLIC PARTICIPATION IN THE ARTS

1985

Arts activity	General Population (Over 18)	Income Above $50,000	Graduate Education
Art museum	22%	45%	56%
Musical	17%	37%	40%
Classical music	13%	30%	28%
Play	12%	28%	36%

Chart 2

THE BABY BOOMERS

U.S. Travel Data Center
Discover 2000

Birth Year	Number in 1988	% of pop. 1988	Age in 1992	Age in 2000	Increase vs. 1986
1946 - 1954	35 million	18%	38 - 46	46 - 54	+ 63%
1955 - 1964	43 million	21%	28 - 37	36 - 45	+ 32%
1946 - 1964	78 million	39%	28 - 46	36 - 54	+ 44%

EDUCATION LEVEL

Birth Year	High School	4 or more Years of College	Median
1946 - 1954	85%	25%	12.9 years
1955 - 1964	86%	24%	12.9 years
National in 1986	75%	19.4%	12.6 years
National in 1970	52%	11%	12.1 years

Chart 3

U.S. HOUSEHOLDS PARTICIPATING IN CULTURAL ACTIVITIES WHILE TRAVELING DURING 1991

30%	Visited a historic site, district or building
24%	Visited a museum or art gallery
17%	Attended a play or concert
25%	Attended a festival or craft fair
28%	Bought local/ethnic food or crafts

D.K. Shifflet & Associates Ltd. DIRECTIONSsm Activities/Index
(First quarter of 1992)

Chart 4

PLEASURE TRAVEL MARKETS TO NORTH AMERICA

U.S. Travel and Tourism Administration and Tourism Canada

1989 HIGHLIGHTS REPORT

	Culture and Nature		Culture and Comfort	
Country	%*	Number	%*	Number
United Kingdom	16%	750,000	19%	890,000
France	13%	750,000	18%	1,060,000
West Germany	17%	1,900,000	21%	2,300,000
Japan	23%	2,300,000	26%	10,200,000
Subtotal, 4 nations	18%	5,700,000	22%	6,900,000

* Percent of total market.

Chart 5

OVERSEAS TRAVELERS TO THE UNITED STATES

JANUARY – DECEMBER 1991

U.S. Travel and Tourism Administration
Inflight Survey

Actual Activities in Percents

Activity	All Overseas	Western Europe	France	Germany	U.K.	Japan
Amusement / theme park	27.4	32.8	27.5	36.8	38.7	15.5
Art gallery or museum	24.7	30.3	35.9	35.4	22.0	11.9
Attend sports event	9.3	10.2	8.9	10.6	11.1	6.5
Camping / hiking	5.3	8.2	5.1	16.3	6.0	2.2
Concert, play or musical	16.8	19.4	21.0	23.3	14.9	10.0
Cruises (1 night)	3.8	4.1	3.2	4.1	3.7	0.7
Dining in restaurants	69.8	76.3	75.6	75.7	79.3	65.9
Golf and tennis	12.3	10.8	9.8	8.7	14.7	20.6
Guided tours	18.9	16.3	15.8	13.9	17.7	30.8
Hunting / fishing	2.9	3.8	4.8	4.0	4.0	1.4
Nightclub dancing	19.4	22.6	18.9	22.4	21.8	11.2
Shopping	83.5	80.6	71.1	82.8	80.3	87.5
Sightseeing in cities	64.5	64.0	61.3	73.7	58.9	74.8
Snow skiing	3.0	2.7	1.2	1.6	3.9	2.5
Touring the countryside	34.0	43.6	40.9	56.0	42.8	12.0
Visiting historical places	31.9	38.5	38.6	47.5	34.7	13.7
Visiting national parks	25.6	31.6	28.9	45.5	29.3	15.3
Water sports / sunbathing	36.1	41.3	25.9	45.1	48.9	41.3

(18 activities)

Chart 6

OVERSEAS TRAVELERS TO THE UNITED STATES

JANUARY – DECEMBER 1991

U.S. Travel and Tourism Administration
Inflight Survey

Ranking of Actual Activities

Activity	All Overseas	Western Europe	France	Germany	U.K.	Japan
Rank among 18 activities						
Amusement / theme park	7	7	8	8	6	7
Art gallery or museum	9	9	6	9	9	11
Attend sports event	14	14	14	14	14	14
Camping / hiking	15	15	15	12	15	16
Concert, play or musical	12	11	10	10	12	13
Cruises (1 night)	16	16	17	16	18	18
Dining in restaurants	2	2	1	2	2	3
Golf and tennis	13	13	13	15	13	6
Guided tours	11	12	12	13	11	5
Hunting / fishing	18	17	16	17	16	17
Nightclub dancing	10	10	11	11	10	12
Shopping	1	1	2	1	1	1
Sightseeing in cities	3	3	3	3	3	2
Snow skiing	17	18	18	18	17	15
Touring the countryside	5	4	4	4	5	10
Visiting historical places	6	6	5	5	7	9
Visiting national parks	8	8	7	6	8	8
Water sports / sunbathing	4	5	9	7	4	4

American Automobile Association

Washington Office

Statement of

Paul R. Verkuil
President and CEO
American Automobile Association

Before the

Subcommittees on Aviation and Surface Transportation
Committee on Public Works and Transportation

on

H.Con.Res 110
Expressing the Sense of Congress that the President
convene a
White House Conference on Tourism

August 4, 1993

The American Automobile Association is one of the largest motoring and travel organizations in the world. AAA's more than 1,000 affiliated club and branch offices are located throughout the United States and Canada. AAA, a fully tax-paying not-for-profit organization, offers a wide range of member services and works for the improvement of motoring and traveling conditions.

Chairman Oberstar, Chairman Rahall -- I am Paul Verkuil, President and Chief Executive Officer of the American Automobile Association. On behalf of AAA let me express what a pleasure and honor it is to appear before this joint hearing of the Aviation and Surface Transportation Subcommittees on H.Con.Res. 110 calling for a White House Conference on Tourism.

AAA has been involved in tourism for many years -- in fact, since our founding in 1902. The original AAA Pathfinders drove the nation's roadways -- or what then passed for roadways -- and collected information on road conditions, signing, mileage, time, and direction between cities. This information formed the basis for maps for early motoring enthusiasts. AAA clubs posted the nation's first road signs to help guide motor tourists from here to there.

Now, as we approach the 21st century, AAA serves its more than 34 million members with a wide variety of travel services. Our more than 950 full-service travel agencies in the U.S. and Canada, arrange hotel, air, tour, and cruise reservations for domestic and international travel.

AAA service centers help members plan car trips by providing a variety of travel information. Reflecting the fact that more than 80 percent of vacation trips are by car, truck, or RV, we distribute more than 251 million strip maps and 42.4 million sheet

maps annually. Each year, AAA provides members with more than 36.8 million TourBooks and TravelGuides covering the U.S., Canada, Mexico, Europe, and the Caribbean.

AAA has reciprocal service agreements with more than 208 motoring and auto-sports clubs in more than 90 countries, and all AAA clubs are authorized to issue both International Driving Permits and Inter-American Driving Permits.

In short, AAA is well aware of the importance of tourism to the U.S. economy and to the social well-being and cultural understanding among U.S. and world citizens. We therefore are pleased to be an early and strong supporter of a White House Conference on Tourism.

Chairmen Oberstar and Rahall, AAA clubs throughout the United States have written to President Clinton calling on him to convene a White House Conference on Tourism. Their letters demonstrate not only the breadth of support for such a conference, but also the important role tourism plays in their state and local economies. As such, I believe they add an important dimension to the discussion of a White House Conference and respectfully request that those letters be included in this hearing record as part of my written statement.

I would like to focus my remarks today on what AAA believes would be two particularly valuable functions of a White House tourism conference. First, the conference could serve as a forum to discuss the very close interrelationship between tourism needs and infrastructure needs. Second, the conference could focus on technological advances in the provision of information, and highlight how those advances may change the landscape in providing travel information.

Tourism and Infrastructure

Tourism rapidly is becoming the number one industry in the world and in this country. Tourism already is America's number one export. Yet, the close relationship between our transportation infrastructure and tourism has only recently begun to emerge as a consideration in transportation policy.

In fact, the Intermodal Surface Transportation Efficiency Act (ISTEA) is the first major transportation act to overtly call for a recognition of tourism needs in transportation planning.

A successful tourism industry is absolutely reliant on an efficient, modern, and well-planned transportation infrastructure. Transportation decisions at all levels -- state, local, and federal -- have a huge impact on the facilitation of travel by people.

Chairman Oberstar, you have been a long-time supporter and champion of scenic byways. Due in large measure to your leadership, a National Scenic Byways Advisory Committee, on which AAA is honored to sit, is nearing completion of a report to Congress on how to implement a national scenic byways system.

While preservation is a strong motivation for identifying and designating scenic roads, the potential for rural economic development through tourism is a major contributor to the intense interest in developing a scenic byways system.

A White House Conference on Tourism could provide a forum for discussing scenic roads programs within the context of an overall plan to develop and promote tourism in the United States.

In like manner, other important transportation policy decisions -- funding, taxation, intermodalism, technology -- could be addressed in a forum that has as its goal the facilitation and growth of tourism.

Travel Information

As is the case with information generally, the provision of travel information is undergoing dramatic change. New technologies are being developed and implemented at a dizzying pace.

For example, using the latest technology, including satellite photography, AAA is building a digitized database of maps of the U.S., Canada, and Mexico for use in producing road maps. Maps produced through automated cartography can be revised easily using computer and laser technology.

Another new technology being tested by AAA is TeleMap -- a 24-hour computerized service to provide Orlando-area residents and visitors with driving directions by telephone or fax.

But the most exciting new technology with which AAA has been involved is in-car navigation -- part of the Intelligent Vehicle/Highway System (IVHS). The TravTek project, on which AAA teamed with General Motors, the Federal Highway Administration, and other public and private partners, combined in-vehicle navigation with highway technology such as road sensors and surveillance equipment. On-board computers provided drivers:

- current location and best route to their chosen destination with step-by-step driving instructions;
- information on traffic jams, accidents, detours, and weather;
- information on sporting events, concerts, special events, and local attractions; and much more.

A complete analysis of the TravTek test is now underway at FHWA, but initial results demonstrate that tourists were enthralled with the technology and gave it high marks.

IVHS is also being studied for use in rural areas. Through the Advanced Travel Information Systems (ATIS) program, FHWA has contracted with a research group to assess the information needs of travelers in rural areas and to develop and test some strategies for meeting those needs. Safety and security are paramount concerns for rural travelers, but tourist-related information is also an important need -- both to the traveler and to the rural area that relies on tourism for economic development.

How could ATIS affect rural tourism? Imagine renting a car with aftermarket in-vehicle navigation hardware. Also imagine that you can select a CD-ROM program that will guide you along scenic roads with several historic or cultural destinations and that you can rent or buy the program in your native language. Imagine that the car is equipped with a two-way communication system which gives you access to an emergency service center. Imagine that the in-vehicle system automatically provides emergency centers with your location -- no matter how far from "civilization" you are.

If you are an international visitor to this country, such technology may be the deciding factor in whether you choose to stay near an urban area or whether you venture out into the rural parts

of America.

I discuss these technologies to make the point that a great deal of work is being done in areas that, in isolation, may not be considered "tourism issues." But new advances in information provision will have a major impact on the provision of travel information -- and that will have a lasting impact on the tourism industry.

Another focus of a White House tourism conference could be how to make the United States more "user friendly." Through AAA's reciprocal agreements with foreign motor clubs, we have learned that although there many reasons to visit the U.S., this is not an easy country to get around in if you don't speak English.

It is ironic that America is blessed with some of the most magnificent scenery in the world, with fascinating culture and history, remarkable transportation systems, and friendly people -- but we make it hard for international visitors to enjoy the U.S. once they leave some of the gateway airports and cities. AAA suggests that a White House tourism conference would be an excellent forum to discuss ways to make our nation an easier place to visit.

In sum, a White House Conference on Tourism is a perfect forum to bring together all the issues, policies, and technologies that will affect tourism now and in the future, but may not seem to be traditional tourism issues. What better way to assess our industry today and prepare it for tomorrow than to look at it in the broadest context -- and then develop policy recommendations through a fully informed process.

For these reasons, AAA strongly endorses the concept of a White House Conference on Tourism and pledges to work with you and the President to ensure a successful Conference.

Thank you for this opportunity to testify. I look forward to responding to any questions you may have.

The Automobile Club of Western New York

100 INTERNATIONAL DRIVE • BUFFALO, NY 14221
TELEPHONE (716) 633-9860 • Fax: (716) 634-2504

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May 21, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

As President-CEO of The Automobile Club of Western New York, I urge you to convene a White House Conference on Tourism. Tourism is not only an integral portion of Western New York's economy, but also plays an important part in our nation's economy.

Tourism is America's number one export, and the revenues generated within the United States cannot be discounted. The tourism industry creates 5.9 million jobs--accounting for an annual payroll of $91 billion.

The Automobile Club of Western New York, along with the American Automobile Association, believes that a strong tourism industry aids in our community's future and growth. A White House Conference on Tourism will help develop an informed, active leadership to ensure the stable and continued growth of the industry and explore the problems and challenges facing the tourism industry.

Many tourism-related issues--such as the national transportation network and the renovation of roads, bridges, and railroads--can be addressed by the Tourism Conference to help make your vision for America a reality.

Mr. President, with your support, the White House Conference on Tourism can become a reality and would contribute substantially toward a better understanding of this vital industry's potential.

Thank you for your consideration.

Sincerely,

(Mrs.) Marguerite E. Dispenza
President-Chief Executive Officer

lj

OFFICES

976 DELAWARE AVENUE
BUFFALO, NY 14209

5927 MILITARY ROAD
LEWISTON, NY 14092

3364 SOUTHWESTERN BLVD.
ORCHARD PARK, NY 14127

212 EAST MAIN STREET
BATAVIA, NY 14020

4095 GENESEE STREET
BUFFALO, NY 14225

19 LAKE SHORE DRIVE WEST
DUNKIRK, NY 14046

American Automobile Association

VERMONT

317 River Street • P.O. Box 458
Montpelier, Vermont 05601
(802) 229-0505

June 3, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

The purpose of this letter is to encourage you to convene a White House Conference on Tourism. Here at AAA Vermont we believe that travel and tourism can be a positive contributor to the nation's economic health. Vermont's economic base is changing and travel and tourism is playing an increasingly important role in our economy. A White House Conference on Tourism will help focus public attention on the importance of this industry.

AAA Vermont is ready to join with other AAA affiliates from across the nation in support of such a conference.

With every good wish,

Sincerely,

/s/

Thomas R. Sparrow,
Public and Governmental Affairs

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Automobile Club of Merrimack Valley

AFFILIATED WITH AMERICAN AUTOMOBILE ASSOCIATION

155 Parker Street
Lawrence, MA 01842-0039
(508) 681-9200
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Branch offices in
Haverhill and Lowell

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July 27, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear President Clinton:

On behalf of the 98,000 members of the Automobile Club of Merrimack Valley and in collaboration with other AAA Clubs throughout this country, I am requesting your support for a White House Conference on Tourism.

Tourism is a major contributor to our nations economy. Increased attention to tourism and travel would add to increased economic development nationwide.

We need to bring together representatives from all parts of society as well as representatives from all parts of the industry who are dedicated to tourism's potential. Together, we could examine methods necessary to maximize this potential.

We look forward to a positive response from you on this request. Thank you for your attention.

Sincerely,

David J. Christensen

David J. Christensen
President-Treasurer

DJC:bjr

CC: Mr. George Stephanopoulos
Mr. Howard Paster
AAA Government Relations

JUN 2 1993
G.R.K.

AAA Mid-Atlantic
Founded 1900

AUTOMOBILE CLUB
TRAVEL AGENCY
INSURANCE AGENCY

2040 MARKET STREET
PHILADELPHIA, PA 19103
(215) 864-5455

Robert R. Rugel
PRESIDENT

June 1, 1993

Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I am writing to urge your support for a White House Conference on Tourism. It is AAA Mid-Atlantic's belief that such a conference would focus attention on the tourism industry's important role in the nation's economy, the potential of tourism as a catalyst for economic growth, and the problems and challenges facing this industry.

It is apparent that continued growth in the tourism industry is consistent with your stated goals for the national economy stimuli, such as infrastructure investment and small business development.

In AAA Mid-Atlantic's territory, which covers Southeastern Pennsylvania, Delaware, Southern New Jersey and all but three counties in Maryland, our Travel Agency is one of the largest full service travel agencies in this area. In 1992, sales totaled more than 35 million dollars. AAA Mid-Atlantic has been involved with Convention and Visitors Bureaus, Chambers of Commerce, state legislatures and Departments of Commerce to promote and enhance tourism.

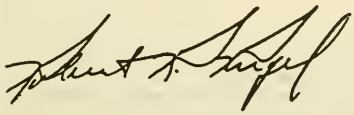
Nationally AAA's Travel Agency sales, in 1991, were in excess of 1.4 billion dollars and we are the world's largest travel publisher, distributing more than 335 million pieces of travel material each year including TourBooks, Triptik routings and maps.

A White House Conference on Tourism will help develop an informed, active leadership to ensure the stable and rational continued growth of the industry. It would bring together people and ideas, create a channel of communication linking the touring community and identify the many ways in which this industry could contribute to the revitalization of the U.S. economy. Most of all, it would help create the needed organizational framework to allow communities to develop their tourism resources.

-continued-

In conclusion, AAA Mid-Atlantic believes a White House Conference on Tourism could contribute substantially toward a better understanding of this vital industry's potential while realizing many of the economic and social goals you outlined in your vision of America's future.

Sincerely yours,



RRR:rcg

American Automobile Association

Barberton

Barberton Automobile Club
139 E. Tuscarawas Ave.
Barberton, Ohio 44203
216/753-7779

July 20, 1993

William J. Clinton, President
United States of America
1600 Pennsylvania Ave NW
Washington, D.C. 20500

Dear Mr. President:

We wish to join many of our associates in the travel and tourism industry in respectfully requesting your consideration of convening a White House Conference on Tourism.

From our perspective, travel and tourism is a major economic force in our cities, states, and of course in our great country. With our continuing exposure and service to the traveling and motoring public , our AAA clubs are intimately aware of the contributions of tourism to our economy and well being.

Your kind attention and consideration in this matter shall be sincerely appreciated.

Cordially,

Jack M. Wood

Jack M. Wood, General Manager

cc: S. Pikrallidas

South Central Ohio

Robert L. Morton
President

710 Waller Street, P.O. Box 371
Portsmouth, Ohio 45662-0371
Phone: (614) 354-5614

July 20, 1993

President William J. Clinton
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Clinton:

This letter is to urge you to convene a White House conference on tourism.

I have also made this suggestion to my Congressman, The Honorable Ted Strickland from the Sixth District of Ohio. Representative Strickland's reply is enclosed.

For your information, I have been involved in tourism for many years, serving on Governor Celeste's tourism committee for several years, serving a three-year term on the national Board of Directors of the National Tour Association, and I presently serve on the State of Ohio Travel Industry Advisory Council, as well as serving on the board for our local Convention and Tourism Bureau. The reason for telling you this background is that I have learned through the years that tourism does not receive the proper recognition as an industry, even though it provides many, many jobs and, as you know, contributes to our international balance of payments. A White House conference on tourism would provide the national publicity to help this industry receive proper national recognition.

Thank you for your attention to this request.

Sincerely,

Robert L Morton

Robert L. Morton
President

cc: The Honorable Ted Strickland, House of Representatives
Darryl Wyland, Senior Vice President, AAA Public and Government Relations
George Zimmerman, Ohio Division of Travel & Tourism
James Santini, NTA, Lexington, KY

The Ohio Automobile Club

90 E. Wilson Bridge Rd.
Worthington, Ohio 43085-2387
(614) 431-7920

Office of the President

June 7, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

AAA Ohio Auto Club believes the travel and tourism industry is a vital link in the nation's economic recovery program. Therefore, we urge your consideration in convening a White House Conference on Tourism.

Tourism is the nation's second largest employer and ranks third in sales generating 6.8 percent of the gross national product. In addition, the industry contributes billions of dollars in federal, state and local taxes.

Last year, tourism in Ohio alone generated a total of $22.8 billion in direct, indirect and induced business; provided employment for approximately 567,000 people with a combined payroll of $9.08 billion while adding $1.19 billion in tax revenue to state and local coffers.

AAA is one of the largest travel organizations in North America and Canada with nearly 1,000 full service travel agencies in the United States and Canada. We realize travel and tourism as a valued resource in stimulating economic development and stand ready to assist you in this endeavor.

Sincerely,

THOMAS J. JONES

Miami Valley
825 South Ludlow Street
P.O. Box 1801
Dayton, Ohio 45401-1801
513-224-2811

Gene W. Satchell
President

July 22, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington D.C. 20500

Dear Mr. President,

I would like to enthusiastically offer my support and that of my organization, AAA Miami Valley, for the creation of a White House Conference on Tourism.

Statistics show the tremendous impact the tourism industry has on the country's economy. In our state of Ohio, tourism employs 323,903 and accounts for $8.75 billion in revenues. Locally, we have been a thriving supporter of state tourism for some 70 years, and are active with the Ohio Department of Tourism's "Ohio: The Heart of it ALL" campaign with regular features in our club publication promoting our state's destinations and events.

A conference that will provide our industry the forum to map out national strategies and policies would not only call to attention the importance of tourism to the health of the nation's economy, but ensure that continued growth in this industry will occur through the next century.

Thank you for your attention to this letter and the request for a White House Conference on Tourism.

Sincerely,

Gene W. Satchell
President

GWS/ca

ALABAMA

AFFILIATED WITH AMERICAN AUTOMOBILE ASSOCIATION

Auto Club • Travel Agency • Insurance Agency

STATE HEADQUARTERS
AAA-ALABAMA
Alabama Motorists Association
2305 Fifth Avenue No.
Birmingham, AL 35203
(205) 323-4491
Wats 1-800-521-8124
FAX (205) 251-1754

AAA Alabama Branch Offices

ANNISTON
29 East 11th Street
Anniston, AL 36201
(205) 236-6367

BIRMINGHAM-HOOVER
1550-L Montgomery Hwy.
Hoover, AL 35216
(205) 979-2001
FAX (205) 979-2097

DECATUR
910 6th Avenue S.E.
P.O. Box 536
Decatur, AL 35602
(205) 353-4924
FAX (205) 340-1243

DOTHAN
202 West Main Street
P.O. Box 1034
Dothan, AL 36302
(205) 793-6080

FLORENCE
102 South Pine Street
P.O. Box 816
Florence, AL 35631
(205) 764-9173

GADSDEN
947 West Meighan Blvd.
Gadsden, AL 35901
(205) 546-2806

HUNTSVILLE
606 Madison Street
P.O. Box 2616
Huntsville, AL 35804
(205) 539-7493
FAX (205) 539-8992

MOBILE
718 Downtowner Loop W.
P.O. Box 160966
Mobile, AL 36616
(205) 342-5550

MONTGOMERY
15 E. South Street
P.O. Drawer 4218
Montgomery, AL 36103
(205) 265-1237

TUSCALOOSA
1400 Greensboro Ave.
P.O. Box 2621
Tuscaloosa, AL 35403
(205) 759-1202

July 23, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

On behalf of more than 188,000 AAA members in Alabama and in the best interests of all Alabamians, AAA-Alabama respectfully requests that you convene a White House Conference on Tourism.

In today's mobile society, travel and tourism serve as a major economic force providing needed jobs, tax revenues for cities, counties, and states, and income for thousands of businesses throughout the country.

Developing national strategies and policies which will assist states and local communities to better promote and capitalize on the tremendous potential that the travel and tourism industry offers will aid and accelerate economic growth, not only in Alabama, but nationwide.

For 69 years, AAA-Alabama has played an active role in promoting travel and tourism in our state by providing automobile travel planning services, travel agency services, traffic safety programs and other travel related activities for local residents and visitors.

A White House Conference on Tourism would provide a nationwide effort and address the importance of travel and tourism to our country's economy. We urge your support of this vital conference.

Sincerely,

Frances M. Smith

Mrs. Frances M. Smith
President & CEO

FMS/tls

West Penn

Headquarters
AAA Motor Square Garden
5900 Baum Blvd.
Pittsburgh, PA 15206-3854
412-362-3300
FAX 412-362-8943

Member Services
Travel Agency
Insurance Agency

South Hills
313 South Hills Village
Pittsburgh, PA 15241
412-833-5200

Penn Center
Monroeville area
201 Penn Center Blvd
Pittsburgh, PA 15235
412-824-9990

East Liberty
AAA Motor Square Garden
5900 Baum Blvd
Pittsburgh, PA 15206
412-362-3300

North Hills
4790 McKnight Rd.
Pittsburgh, PA 15237
412-367-7600

Downtown
300 Sixth Avenue Building
Wood Street & Oliver Avenue
Pittsburgh, PA 15222
412-338-4300

Century III Area
2070 Lebanon Church Rd.
West Mifflin, PA 15122
412-655-6100

Washington
196 Maritand Ave
Washington, PA 15301
412-222-3800

Brookville
195 Main St
Brookville, PA 15825
814-849-5381

Charleroi
149 Pennsylvania Ave. (Rt. 88)
Charleroi, PA 15022
412-483-8013

Kittanning
250 S. Jefferson St
Kittanning, PA 16201
412-543-1924

Waynesburg
89 S. Washington St
Waynesburg, PA 15370
412-627-3434

Punxsutawney
Chamber of Commerce
124 W. Mahoning St.
Punxsutawney, PA 15767
814-938-6450

Horne's Downtown
(Travel Agency only)
Mezzanine Level
Penn Ave. & Stanwix St
Pittsburgh, PA 15222
412-338-4320

Airways Parking
(Travel Agency only)
1480 Beers School Rd
Coraopolis, PA 15108
412-264-1731

Mon Yough Division
McKeesport
622 Market St
McKeesport, PA 15132
412-673-9791

Jefferson
634 Route 51
Jefferson Boro, PA 15025
412-384-2220

July 23, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

As president of AAA West Penn/West Virginia, I strongly support a White House Conference on Tourism.

Our association, which serves more than 560,000 members in western Pennsylvania and West Virginia, covers a geographical area that depends greatly on its tourism industry and the far-reaching effects it has on economic growth.

AAA's extensive experience in travel-related services is sought often as we support and actively participate in state and local travel and tourism promotional activities both in our twenty neighborhood offices and through our monthly publication, the Motorist.

The tourism industry continues to create new job opportunities throughout this area and particularly here at AAA West Penn/West Virginia. We have been able to place twenty-five people in tourism-related positions so far this year. With an entire workforce of just under 500, this is an excellent percentage of growth.

A White House Conference on Tourism would contribute to the growth of this vital industry by addressing the challenges facing it.

Sincerely,

Richard S. Hamilton

Richard S. Hamilton
President

RSH:jm

c: George Stephanopoulos, Asst. to the President
Howard Paster, Asst. to the President
AAA Government Relations

American Automobile Association

1050 Hingham Street
Rockland, Massachusetts 02370-1090
800-222-8252
617-871-5880

July 23, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

On behalf of more than 900,000 AAA members in Massachusetts and New Hampshire, we respectfully request your support for a White House Conference on Tourism. Conferences on both a state and national level would bring Congress and the tourism industry together to explore the great potential of tourism as a catalyst for economic growth.

Travel and tourism is the world's largest industry and employer, and New England is no exception. Tourism in Massachusetts and New Hampshire alone generate well over $1 billion in tax revenues each year.

AAA Massachusetts/New Hampshire is working closely with state tourism officials to identify opportunities to enhance the image of our states as a destination of choice for both vacation and convention travel. We know that AAA members are the world's most active travelers. Our division alone is responsible for in excess of $30 million in taxable travel sales, 80% of which is domestic. AAA Massachusetts/New Hampshire also prepares 350,000 personalized trip plans every year to domestic destinations.

AAA is a not-for-profit organization dedicated to serving the needs of our members and the traveling public, but we are also committed to public policy goals that serve the national interest. The continued proliferation of tourism taxation is a juxtaposition to healthy economic growth stimuli. The vitality of international and domestic tourism is a linchpin to America's economic recovery and growth. Yet tourism is an undervalued resource. Promoting domestic tourism and attracting foreign visitors may be the most effective way to encourage "buying American".

OTHER REGIONAL LOCATIONS
101 CAMBRIDGE STREET, BURLINGTON, MA 01803
106 HUTTLESTON AVENUE (ROUTE 6), FAIRHAVEN, MA 02719
1253 WORCESTER ROAD (ROUTE 9), FRAMINGHAM, MA 01701
175 HIGHLAND AVENUE NEEDHAM, MA 02194
190 BROADWAY (ROUTE 1 NORTH), SAUGUS, MA 02194
166 SOUTH RIVER ROAD, BEDFORD, NH 03110
2 CAPITAL PLAZA / MAIN STREET, CONCORD, NH 03301
351 WINCHESTER STREET, KEENE, NH 03431
HAMPSHIRE PLAZA MALL, MANCHESTER, NH 03101
150 BROAD STREET, NASHUA, NH 03063
PORTSMOUTH PARADE MALL, PORTSMOUTH, NH 03801
254 DANIEL WEBSTER HIGHWAY, SO NASHUA, N H 03060

With more than 33 million members and more than 1,000 offices and branches the American Automobile Association is the largest motoring and travel organization in the world AAA is a fully tax-paying not-for-profit organization offering a wide range of member services and working for improvement of motoring and travel conditions

Spending $14.3 million in fiscal year 1990, the U.S. investment in tourism promotions ranked 20th in the world. Comparatively the government of Spain invested $256.7 million; France $196.1 million; $94.1 million and Australia spent $44.5 million.

Because we believe in the vast economic power of travel and tourism, we ask your support of a White House Conference on Tourism and look forward to working with you and our congressional delegation in putting such a forum together.

Sincerely,

Liam S. Whyte
General Manager

cc: Mark Geran, Assistant to the President & Director of Communications

Howard Paster, Assistant to the President for Legislative Affairs

American Automobile Association

Maine

Marginal Way, Box 3544
Portland, Maine 04104
207/780-6800
Toll Free in Maine 1-800-482-7497
Fax 207/780-6914

July 20, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to express my support for a White House Conference on Tourism.

I believe that such a conference is needed to address the many concerns of the tourism industry; i.e., the growth of official programs to attract foreign visitors, the economic potential of internal tourism expansion, the control of environmental issues, the plight of our major airlines, and the development of high speed rail lines (an area in which we sadly lag behind the Europeans and the Japanese). Maintaining the infrastructure and improving major scenic roadways are also important issues that need to be addressed; and we need to consider the further job development in the tourism industry, which is already the nation's second largest employer.

AAA Maine, the local affiliate of the American Automobile Association, obviously has a strong interest in the tourism industry. We provide information for more than 220,000 members on tourist destinations, issue thousands of personalized routings (Triptiks), and make thousands of air, hotel, and rental car reservations each year. In addition, we are active in matters that affect travel and tourism at the local and state legislative level.

With great respect, I urge the formation of a White House Conference on Tourism.

Sincerely,

William I. McKenzie, President

WIM/caa
cc: Mr. Mark Gearan
Assistant to the President and Director of Communications

Mr. Howard Paster
Assistant to the President for Legislative Affairs

Ms. Susan Pikrallidas
AAA Government Relations

Automobile Club of Syracuse, Inc.

514 West Onondaga Street • Syracuse, New York 13204-3299 Telephone: (315) 475-8140

June 2, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear President Clinton:

As President and Chief Executive Officer of the AAA Syracuse, I urge you to convene a White House Conference on Tourism. This Conference would provide the industry with a forum to outline the challenges it faces, as well as the opportunities it presents, and to develop national strategies and policies to address them.

Cordially,

John L. Delaney

John L. Delaney
President

nlr

CC: Mr. George Stephanopoulos
Mr. Howard Paster
Ms. Susan Pikrallidas - AAA Government Relations

American Automobile Association

Schuylkill County Motor Club

June 28, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D. C. 20500

Dear President Clinton:

On behalf of AAA Schuylkill County, I would like to express our support for a Conference on Tourism. As you are aware, AAA has extensive ties to the travel and tourism industry. In particular, I sit on the Board of Directors of the Pioneer Tunnel Coal Mine and Steam Lokie, a coal mine tour and train ride tourist attraction in Ashland, Pennsylvania. I am also the Board Treasurer of the Schuylkill County PA Visitors Bureau. With my experience in these organizations as well as AAA Schuylkill County, I can relate first hand to the major economic impact tourism has on a rural community.

A conference on tourism would only draw more attention to the industry and thus the benefits a growth industry as this would have on the Nation's economy. Tourism is a constantly renewable and environmentally friendly resource that is largely untapped in the Country. Our past history in Schuylkill County, PA, is hard coal mining-related, a one-time non-renewable fuel for industrial development. Today we are using this history as fuel for tourism and travel industry in Schuylkill County.

Increased attention to tourism and travel would only add to increased economic development nationwide. Thank you for your attention.

Respectfully yours,

G. Fred Schilling

G. Fred Schilling
General Manager/CEO

GFS:sm
cc: Mark Gearan, Asst. to Pres. and Director of Comm.
Howard Paster, Asst. to Pres. for Legis. Affairs
Susan Pikrallidas, AAA Government Relations

360 South Centre Street, Pottsville, PA 17901 (717) 622-4091

North Dakota

JOHN B. WIMBUSH
CHAIRMAN OF THE BOARD
AND PRESIDENT

June 15, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

On behalf of the 57,000 members of AAA in North Dakota and in collaboration with other AAA Clubs throughout this country, I am requesting your support for a White House Conference on Tourism.

Tourism is a major contributor to our nations economy and has the potential for even greater economic growth. For our nation to remain competitive in the tourism arena and for our society to benefit from this tourism, we need to address the problems and challenges that face the industry today.

A White House Conference to address the tourism "opportunities" that exist could not be more timely. Much of what is needed to meet its challenges are already in place but flounders on a national level for lack of direction and dedicated leadership. We believe some form of dialogue, such as a White House Conference, would result in the leadership needed for our society to maximize the benefit resulting from a coordinated tourism plan.

We need to bring together representatives from all facets of society--big and small business; rural and metro leaders; minorities; as well as representation from all parts of the industry who are dedicated to tourism's potential and will help define the goals necessary to maximize this potential.

We look forward to your positive response.

Sincerely,

John B. Wimbush
Chairman and President

JBW/kmw

cc: Mr. George Stephanopoulos
Mr. Howard Paster
AAA Government Relations

Headquarters — 1801 38th St. S.W. — P.O. Box 3147 — Fargo, North Dakota 58108-3147 — Phone (701) 282-6222

AAA ARIZONA

Affiliate of the American Automobile Association

Travel Agency • Insurance Agency

May 21, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Mr. President:

I am writing as Chief Executive Officer of the Arizona Automobile Association to request that you consider convening a White House Conference on Tourism.

In Arizona, we rely heavily on tourism to keep our state's economy thriving. AAA Arizona exists to provide service for its members when they travel in Arizona. We also stand ready to assist all AAA members and clients (nationwide) when they are in Arizona, anywhere in the United States, and in foreign countries.

In addition, we actively promote tourism between the state of Arizona and the state of Sonora, Mexico. We share a border and hope to share the mutually beneficial rewards of leisure travel across that border.

The Arizona Automobile Association has 270 loyal employees serving a membership of 350,000 Arizonans. We have just finished a very successful fiscal year by meeting our traveling members' needs for airline tickets, cruises, bus tours, AAA maps, hotel reservations, car rentals, AAA TourBooks, discounts on special attractions, AAA CampBooks, emergency road service, and insurance.

ADMINISTRATIVE OFFICE • 3144 North 7th Ave • P O BOX 33119 • Phoenix, AZ 85067-3119 • (602) 274-1116 • (800) 352-5382 • FAX (602) 277-1194

PHOENIX
3144 North 7th Ave
Phoenix AZ 85013
Phone (602) 274 1116
(800) 352-5382

MESA
262 East University Dr
Mesa, AZ 85201
Phone (602) 834-8296

PEORIA
7380 West Olive Ave
Peoria AZ 85345
Phone (602) 979-3700

SCOTTSDALE
701 North Scottsdale Rd
Scottsdale AZ 85257
Phone (602) 949-7993

TUCSON WEST
6950 North Oracle Rd
Tucson AZ 85704
Phone (602) 885-0694

TUCSON EAST
8204 East Broadway
Tucson AZ 85710
Phone (602) 296-7461

YUMA
1045 South 4th Ave
Yuma AZ 85364
Phone (602) 783-3339

The Honorable Bill Clinton
May 21, 1993
Page Two

We would welcome the opportunity to join our travel industry peers at a White House Conference on Tourism. Together, we could explore methods to realize potential economic growth and social benefit for our country by developing and expanding our many tourism resources.

Sincerely,

AAA ARIZONA

John C. Flatt

John C. Flatt
President
(602-650-2728)

JCF/lte

CC: George Stephanopoulos
Assistant to the President and
Director of Communications
The White House -- West Wing
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Howard Paster
Assistant to the President for
Legislative Affairs
The White House -- West Wing
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

AAA Government Relations
Attn: Susan Pikrallidas
1440 New York Avenue, N.W.
Suite 200
Washington, D.C. 20005

AAA Michigan

Ronald L. Steffens
President

June 24, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

Recently, the Congressional Travel and Tourism caucus proposed that you convene a conference on tourism. AAA Michigan, the nation's third largest automobile club with 1.5 million members, supports that proposal and urges you to convene a White House Conference on tourism.

Such a conference would spotlight the tourism industry's contribution to the economic health of the United States. Its impact is vitally important to Michigan. It is our state's third largest industry, ranked only behind automobile manufacturing and agriculture. Tourism spending in this state accounts for $7 billion annually and provides 116,000 jobs.

Bringing together national leaders who can share their successes and concerns would help ensure the continued growth of this vital industry.

We at AAA Michigan would be pleased to contribute our expertise and resources to plan and coordinate a state or regional conference prior to a White House Conference on tourism. We are one of the strongest advocates of Michigan tourism. We offer Auto Club members a variety of discounted travel-related products and services, as well as sponsor and financially support tourism activities statewide. We also operate the state's largest leisure travel agency.

AAA Michigan
1 Auto Club Drive/Dearborn, Michigan 48126

June 24, 1993
Page 2

Again, we request your support for a White House Conference on tourism. This could be a stimulating conference that serves as a catalyst to further the economic goals you seek for our nation, and for Michigan.

Thank you for your consideration.

Sincerely,

Ronald L. Steffens

cc: George Stephanopoulos, Assistant to the President and Director of Communications

Howard Paster, Assistant to the President for Legislative Affairs

Susan Pikrallidas
AAA Government Relations

American Automobile Association

Wyoming

1450 Stillwater P.O. Box 1223
Cheyenne, Wyoming 82003
307/634-8861
In Wyoming 1-800-442-4338

June 4, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

The Wyoming Division of the American Automobile Association, with more than 24,000 members in our state, urges you to convene a White House Conference on Tourism.

AAA Wyoming is a not-for-profit organization that supports tourism in our state. We have a long and close relationship with the Governor's Conference on Tourism, and the Division of Tourism. In 1993 AAA recognized six Wyoming lodging properties with the prestigious *AAA Four Diamond Award* for excellence.

AAA Wyoming supports tourism beyond our state by providing our members with maps, Triptik routings and TourBook guides. In 1992 we prepared 3,300 Triptik routings for our members. In addition, we provide full travel agency services for our members and the local community.

Tourism is a growing sector of the economy. Your leadership in helping to coordinate the many segments that make up the industry would serve as a means of fostering the U.S. economy in an area capable of strong job growth. Convening a conference on tourism under the White House sponsorship will allow your administration to serve as a catalyst to obtain reaction from all parties--private and public--interested in making tourism and travel work optimally for our nation's economy. AAA would hope to play a part in making a White House Conference on Tourism a tremendous success.

The Honorable Bill Clinton
June 4, 1993
Page Two

Please consider AAA a resource in your efforts to balance and meet the many challenges and opportunities that require your leadership. Thank you for your consideration.

Sincerely,

Victoria W. Stark
General Manager
307/634-8861

c: Members of the Wyoming Congressional Delegation
Mr. Howard Paster, the White House
Mr. George Stephanopoulos, the White House
Ms. Susan Pikallidas, AAA Government Relations

THE MINNESOTA STATE AUTOMOBILE ASSOCIATION
7 TRAVELERS TRAIL, BURNSVILLE, MN 55337-2594 • (612) 890-2500 • FAX (612) 894-4079

DUANE J. CRANDALL
President

June 18, 1993

The Honorable Bill Clinton
President of The United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to ask that you favorably consider the Congressional Travel and Tourism Caucus' request for a White House Conference on Tourism.

Tourism has a tremendous impact on our nation's economy, having a combined annual payroll of more than $90 billion and contributing more than $340 billion in annual expenditures. The tourism industry is among the top employers in forty of our fifty states.

As President of AAA Minnesota, an affiliate of the American Automobile Association, I am acutely aware of the importance of travel and tourism in my home state.

Congressman Jim Oberstar was presented our organization's highest award at our Annual Meeting this past April in recognition of his efforts to support and develop travel and tourism for our nation and our state.

I believe a White House Conference on Tourism convened by your administration will provide the informed, active leadership needed to assure the stable and rational development of this nation's tourism industry.

Thank you for your consideration of this matter.

Respectfully yours,

Duane J. Crandall
President

DJC:sab

WASHINGTON

June 15, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

AAA Washington recognizes the need for a forum to outline the challenges faced by the travel and tourism industry and to provide an opportunity to develop national strategies and policies to address these issues.

Washington State currently hosts 33.4 million travelers per year from around the world. Our communities have shown strong support of tourism by hosting major national and international events, including the 1992 Final Four NCAA Championship Basketball Tournament, the 1990 Goodwill Games, Treasures of Tutankhamen Exhibit, Century 21 (Seattle Worlds Fair) and Expo '74 (Spokane Worlds Fair). We have actively promoted travel in and outside of Washington State through our club's publications.

Tourism is among the top five industries in our state. Based on the current economy, we believe that stimulating the travel and tourism industry is vital to the health of the national economy as well as Washington State.

We respectfully request you consider convening a White House conference on tourism.

Sincerely,

Lynn B. Howgate

Lynn B. Howgate
Vice President
Corporate Communications/Marketing

cc: David Gergen, Assistant to the President and Director of Communications
Howard Paster, Assistant to the President for Legislative Affairs
AAA Government Relations, Attn: Susan Pikrallidas

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4100 East Arkansas Ave.
Denver, Colorado 80222
(303) 753-8800

June 14, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President,

It is with great interest that I have read about the possibility of a White House Conference on Tourism. As president of the American Automobile Association (AAA) in Colorado I feel this would definitely be in order. Travel and tourism are a ponitive contributor to both this state's and the nation's economic health; national policies should be developed to address both the challenges and opportunities this industry presents.

AAA Colorado was formed in 1922 to aid the few automobile owners with maps and better roads; it quickly became involved in promoting Colorado travel to both residents and non-residents. We are still involved in these endeavors. Currently we sponsor a weekly "Getaways" program on a Denver TV station highlighting where to go and what to see in our beautiful state. We also produce weekly Mini-Tours in the Denver Post and other state newspapers, urging residents to get outside and enjoy the history and scenic beauty of Colorado.

As our members' needs change, so do we. AAA Colorado is now very involved in improving transportation in Colorado through incident management and intelligent vehicle highway system studies as well as monitoring the oxygenated fuels program in place the last six years. Issues of mobility and environmental impact are important both to our residents and to travelers from outside the state.

NEIGHBORHOOD
SERVICE OFFICES
THROUGHOUT COLORADO

AURORA: (303) 750-9985
1096 S. Sable Blvd. 80012

BOULDER: (303) 442-0583
1953 28th St., 80301

COLO. SPRGS: (719) 591-2222
3525 N. Carefree Cir., 80917

DENVER DOWNTOWN: (303) 298-1059
633 17th St., 80270

FORT COLLINS: (303) 223-1111
3307 S. College Ave., Suite 109, 80525

GRAND JUNCTION: (303) 245-2236
401 North Ave., 81505

GREELEY: (303) 356-5400
3810 W. 10th St., 80634

NORTHGLENN: (303) 452-1551
1010 W. 104th Ave. 80234

PUEBLO: (719) 544-6063
1210 N. Main St., 81003

SOUTHGLENN: (303) 773-8995
7400 University Blvd., 80122

SOUTHWEST: (303) 979-0303
8601 W. Cross Dr., 80123

WHEAT RIDGE: (303) 421-1660
7770 W. 44th Ave., 80033

Concerning international travel, with nearly 1,000 full-service travel agencies, AAA is one of the largest travel-agency organizations in North America. 1992 sales totaled more than $1.6 billion. Tourism is America's number-one export but it is undervalued as a resource. The United States ranks 20th in the world in the amount of money spent on official programs to attract foreign visitors. While tourism holds great promise, as with many other industries, it has been affected by the recession. This year, U.S. airlines will lose $2 billion.

A White House Conference could explore all the problems and challenges facing the tourism industry as well as its potential for economic benefit. We look forward to participating in such a conference and ask you to give this matter your attention.

Sincerely,

Ronald C. Collier
President
AAA Colorado

RCC/sl

cc: George Stephanopoulos
Howard Paster
AAA Government Relations ✓

LEHIGH VALLEY
[illegible] Street, P.O. Box [illegible] • Allentown, PA [illegible] • 215-434-[illegible] • FAX: 215-778-[illegible]

May 19, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to urge you to convene a White House Conference on Tourism. The Board of Directors and staff of AAA Lehigh Valley, which has a membership of over 125,000, feel that such a conference would call attention to the vital role tourism plays in our nation's economy.

Our AAA club employs 125 people, two-thirds of whom work directly in travel, and the other third work in travel-related areas.

AAA clubs have played a vital role in the tourism industry since we began in 1902, and we remain committed to representing our members' interests in dealing with the tourism industry and state, local, and federal governments.

Our travel agency director is on the board of our local tourism bureau. Through our club publication which has a circulation of 84,000, we keep over 124,000 of our members informed about legislative issues affecting travelers. As part of AAA's Freedom's Way campaign, we ask their cooperation by being environmentally responsible tourists when traveling. Each May we celebrate National Tourism Week, offering a "thank you" to our members who patronize America's billion dollar travel industry and plan promotional activities to raise public awareness of tourism's economic impact.

There are many problems and challenges which face the tourism industry, not the least of which is the ripple-down effect of the recession. A White House Conference could begin to explore these and related issues, such as the national transportation network, scenic byways, historical preservation, etc.

BRANCH OFFICE: 1520 Stefko Blvd. • Bethlehem, PA 18017-6296 • (215) 867-7502 • FAX: (215) 867-4602

While I realize there are many matters calling for your immediate attention, I would urge you to give precedence to the bipartisan proposal submitted by Rep. Jim Oberstar, Chairman of the Congressional Travel and Tourism Caucus.

Respectfully,

Steven E. Wojnarowicz
President

SEW:sb

cc: Mr. Darryl L. Wyland, Sr. Vice President
Public & Government Affairs
American Automobile Association, Washington, D.C.

Rep. James L. Oberstar, Chairman
Congressional Travel and Tourism Caucus
Washington, D.C.

AAA Montana

C. Wesley Choc
President

2100 Eleventh Avenue
P.O. Box 4129
Helena, MT 59604
(406) 442-5920
(800) 332-6119

May 28, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to encourage you to convene a White House Conference on Tourism. In recent years, Montana has grown in popularity as a vacation destination. Today, tourism is second only to agriculture in growth and importance to our economy.

AAA Montana was founded almost 65 years ago after a call by the state's governor for a group of citizens to band together in order to "get Montana out of the mud." Since then, AAA Montana has worked continuously to improve not just motoring but all travel and transportation services to those who live in and those who visit our state.

New federal legislation and the quickly changing needs of the modern world make 1993 the perfect time for a national mandate not unlike that early Montana governor's call. It is time to recognize the challenges of the tourism industry as a high priority for the health of the nation's future.

I am at your disposal to help make a White House Conference on Tourism a reality.

Respectfully,

Copies to:

George Stephanopoulous
Assistant to the President and
Director of Communications

Howard Paster
Assistant to the President for
Legislative Affairs

✓AAA Government Relations
Attention: Susan Pikrallidas

Automobile Club of Oregon

600 S.W. MARKET STREET · PORTLAND, OREGON 97201 · (503) 222-6734
FAX (503) 243-6432

June 7, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Re: Request to Convene a White House Conference of Tourism

Mr. President:

AAA Oregon believes tourism is vital to the economic well-being of the nation. Therefore, we respectfully request that you convene a White House Conference on Tourism.

Travel and tourism has outperformed total U.S. industry throughout the recession in generating new jobs. Tourism is the fastest growing industry in the United States. Two-thirds of the states rank travel and tourism among the top three largest employers. Within a short 7 years it is expected to be the nation's #1 industry. It is a bright spot in the nation's otherwise sluggish economy.

Tourism is Oregon's second largest industry. It has an economic impact of $3 billion a year with a 65 percent growth rate in the last 5 years. It directly employs more than 50,000 Oregonians, a 36 percent increase since 1987. Indirectly, the industry has fostered success and boosted sales and job forces in other service-related areas. Tourists buy food, clothes, gas and more when they visit Oregon. In 1991, tourism generated state tax receipts reached nearly 80 million dollars, up 60 percent in 5 years.

Tourism is an important industry for our state and AAA. One out of four Oregonians, numbering more than 456,000, are members of AAA. Throughout the years, AAA Oregon has worked hand-in-hand with the state Tourism Division to promote travel and tourism. AAA and the state combined forces to print a special map commemorating the 150th anniversary of the Oregon Trail. Throughout our 88-year history, our not-for-profit organization has acted to benefit all Oregon motorists. It was AAA Oregon that provided the state and

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the region with the area's first paved roads. The Auto Club also built and installed the state's first road signs. When the state decided to take over those duties, the club worked to make it a smooth transition.

Tourism appears to be a recession-proof industry. In 1992, the AAA Oregon Travel Agency sold more than $13 million in services, a $3 million dollar increase from the previous year. Last year, AAA Auto Travel prepared more than 37,000 Triptiks and had more than 256,000 requests for routing assistance.

The Auto Club is the world's largest travel publisher, distributing more than 335 million pieces of travel material each year. AAA Oregon is affiliated with the American Automobile Association, a national federation of Auto Clubs. Together we represent the largest travel agency organization in the U.S. and Canada. We provide members with related travel, lodging and insurance services, as well as emergency road service.

Mr. President, creating new jobs was your top priority during your campaign. Tourism is already proving to be a major employer nationally, but it can do more. It is a growth industry poised to provide even more jobs throughout our nation. Already it is a leading industry in Oregon and 36 other states. Experts estimate it will be the nation's number 1 industry by the turn of the century. AAA Oregon urges you to examine the importance of this industry and convene a White House Conference on Tourism.

Sincerely,

Anne O'Ryan
Editor and Public Affairs Manager
(503) 222-6729

AO:jk

cc: Mark Gearan, Director of Communications
Howard Paster, Legislative Affairs
Susan Pikrallidas

NORTH JERSEY

HEADQUARTERS
418 Hamburg Turnpike
Wayne, N.J. 07474-0963
201-956-2200

May 20, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

AAA North Jersey joins with the Congressional Travel and Tourism Caucus to urge you to convene a White House Conference on Tourism. We at AAA along with the officers and members of the caucus feel such a conference would focus attention on the tourism industry's important role in the nation's economy, the potential of tourism as a catalyst for economic growth, and the problems and challenges facing this industry.

It is clear that continued growth in the tourism industry is consistent with your stated goals for the national economy, and can complement the economic growth stimuli, such as infrastructure investment and small business development, which you have proposed.

AAA North Jersey has a membership of over 335,000 in the North Jersey area. Most of these members make use of the travel and tourism information, materials and services that our AAA club provides. A White House Conference on Tourism can only help our industry to meet the needs of these and millions of other Americans.

Thank you very much for your consideration of this matter.

Very truly yours,

Rose Kruse

Rose Kruse
President

RK:JB

cc: George Stephanopoulos
Assistant to the President & Director of Communications

Howard Paster
Assistant to the President for Legislative Affairs

✓AAA Government Relations

Automobile Club of Rochester Inc.
777 South Clinton Avenue
Post Office Box 9457
Rochester, New York 14604

716 461-4660

May 25, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to express my support for a White House Conference on Tourism.

There is a need, I am convinced, for such a conference to address the many concerns of the tourism industry; the growth of official programs to attract foreign visitors, the economic potential of internal tourism expansion, the control of environmental issues, the plight of our major airlines, and the inception of high speed rail lines - an area in which we sadly lag behind the Europeans and the Japanese. Also, other important issues that need to be addressed are the infrastructure and improvement of major and scenic roadways; and of course, we need to consider the further development of jobs in the tourist sector, already the nation's second-largest employer.

The Automobile Club of Rochester, New York, the local affiliate of the American Automobile Association, obviously has a strong interest in the tourism industry. We provide information for more than 200,000 members on tourist destinations, issue more than 186,000 routings, called Triptiks, each year, make thousands of air, hotel and rental car reservations, construct and operate hundreds of group tours and we are active in travel matters at the local and state legislative level.

With great respect, I urge the formation of a White House Conference on Tourism.

Sincerely,

Dorothy J. McKinnon, President
DJM/prd
Copy to: Mr. George Stephanopoulos
Mr. Howard Paster
Mr. Darryl L. Wyland, AAA
Ms. Susan Pikrallidas, AAA

BCC: Gerald W. Marsh

Automobile Club of Hartford

815 Farmington Avenue
West Hartford, CT 06119
203/521-1828

Hal Doran
President
Chief Executive Officer

June 11, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

Not long ago, the Congressional Travel and Tourism Caucus requested that you convene a White House Conference on Tourism which would focus on the role tourism plays in a changing economy and the challenges facing the country's fastest growing industry. I strongly support that call.

This is an extremely opportune time for such a forum which could hold the answers to many of the questions facing the tourism industry, whether they be on a global, national, regional, or local level.

I feel the proposed White House Conference is necessary if the tourism industry is to keep pace with , and exceed your goals for the national economy.

The American Automobile Association (AAA) is proud to be a member of the Tourism Industry Advisory Board to the Congressional Travel and Tourism Caucus, and is more than willing to lend its support and expertise to such a conference.

Since it was founded in 1902, the Automobile Club of Hartford - AAA has worked to support tourism in Connecticut and the Northeast. For example, the Club has had membership on the Governor's Tourism Council which assists the Connecticut Department of Economic Development in its successful promotional efforts.

As proposed by the Caucus, the White House Conference agenda should concentrate on several key areas including tourism as an economic stimulant, how tourism affects the social concerns and vision of the Clinton Administration, improving the nation's infrastructure, creation of an inter-city high speed rail network, and the development of scenic byways which would assist many rural areas develop their tourism potential.

In addition, the conference would give guidance to the U.S. Department of Commerce which predicts that by the year 2000, tourism will be the nation's number one industry.

AAA looks forward to assisting you in making the proposed conference a reality and a success.

Sincerely,

Hal Doran

Hal Doran
President & CEO

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INLAND AUTOMOBILE ASSOCIATION

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TAF-C18
Spokane, Washington 99220-4018
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FAX (509) 455-3407

June 9, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

We join with AAA Motor Clubs across the nation and with many others concerned with building the nation's tourist industry in urging you to convene a White House Conference on Tourism.

Travel and Tourism provide huge economic benefits to the nation now and offer the potential for much larger benefits in the future. Finding and developing the means to expand tourism needs the full support of government and the private sector to reach that rich potential.

Please place the convening of a White House Conference on Tourism at the very top of your "must do" agenda.

Sincerely,

Dale F. Stedman,
President

DFS/mpo

Copies: Mark Gearan
Howard Paster
AAA Government Relations

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CAROLINAS

CAROLINA MOTOR CLUB

720 E. Morehead St. P.O. Box 30008. Charlotte, NC 28230-0008, 704/377-3600 FAX # 704/342-0087

June 2, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

As president of the AAA Carolina Motor Club, may I take this opportunity to express full support for the Congressional Travel and Tourism Caucus request that you positively consider convening a White House Conference on Tourism.

I am convinced beyond a shadow of a doubt that such a conference would focus appropriate attention on the tourism industry's important role in the nation's economy, the potential of tourism as a catalyst for economic growth as well as the problems and challenges facing our industry.

Tourism is America's number one export. In 1991, an estimated 42.7 million foreign visitors spent $48.8 billion at U.S. travel destinations. Tourism is our nation's second largest employer, providing 5.9 million jobs. Tourism is also an undervalued resource. Our country ranks 20th in the world in dollars spent on official programs to attract foreign visitors.

Our club is an affiliate of the American Automobile Association whose primary mission is to positively support all facets of tourism and travel. National AAA is a not-for-profit federation of 139 motor clubs with more than 950 accredited full-service travel agencies in the U.S. and Canada serving more than 34 million members.

The AAA Carolina Motor Club serves over 550,000 members in its area of jurisdiction, North and South Carolina. We are very active in the legislatures of our two states in connection with law-making decisions involving travel and tourism. I currently serve as president of the Travel Council of North Carolina and vice chairman of the North Carolina Travel and Tourism Board.

The Honorable Bill Clinton
June 2, 1993
Page Two

It is my sincere belief that a White House Conference on tourism could contribute substantially toward a better understanding of our vital industry's potential while also realizing many of the economic and social goals you have outlined in your vision of America's future.

I greatly covet your positive response to this request. Please know that the AAA Carolina Motor Club stands ready to assist you in generating the political support necessary to bring about this important event.

Sincerely,

Ralph Peters

Ralph Peters
President

RP:eb

cc: David Gergen
Assistant to the President and
Director of Communications
The White House - West Wing
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Howard Paster
Assistant to the President for
Legislative Affairs
The White House - West Wing
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Ms. Susan Pikrallidas
AAA Government Relations
1440 New York Avenue, N.W.
Suite 200
Washington, D.C. 20005

Findlay Automobile Club
AAA TRAVEL CENTER
1550 Tiffin Road • Findlay, Ohio 45840
Phone (419) 422-4961 • Fax (419) 422-5620

May 18, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

It has been called to my attention Representative Jim Oberstar has submitted a bipartisan proposal to you requesting the convening of a White House Conference on Tourism. What a great opportunity to create jobs and help our balance of payments by bringing foreign tourists to this great land of ours. With a modest budget and a lot of creativity, there's no telling how far we can go, and what can be done.

Having been affiliated with AAA since 1951 I can truly attest to the fact tourism has been one of the top three employers and income producing businesses in almost every state in the Union and in most countries throughout the World. Tourism in the U.S. can be #1.

The Findlay Automobile Club, like all AAA clubs throughout the country, has been encouraging travel and assisting travelers for over 90 years. With over 1,000 offices in the U.S. and Canada, AAA clubs have the ability to provide local and statewide information to travelers wherever their travel plans take them. These activities make AAA clubs the perfect catalyst for promoting travel at the state and local levels for any program that may be adopted.

I feel pefectly secure in stating that all AAA clubs will assist and support any program initiated by a White House Conference on Tourism, and will look forward to the challenge.

Go for it!

Respectfully yours,

John Bacho, Secretary Manager
JB/st

Auto Club of Missouri

OFFICE OF THE PRESIDENT

May 25, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

The tourism industry is a major employer in most states and is the economic engine that drives the economy of many regions of our country.

Our organization with more than 570,000 members throughout Missouri, Arkansas, eastern Kansas and southern Illinois, assists thousands of travelers with both their domestic travel arrangements as well as those to foreign destinations. We also work closely with state tourism agencies to promote our region.

Tourism's importance to the overall economic and social health of our nation needs to be recognized and the problems it faces needs to be addressed.

A White House Conference on Tourism could do this by bringing together representatives of all parts of this vital industry to detail the problems the industry faces and to begin to plan and work toward their solutions.

We urge you to support convening a White House Conference on Tourism.

Sincerely,

Kenneth A. Johnson

KAJ:js

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June 4, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

Although these are tough economic times, tourism ranks as our nation's second largest employer. As an industry, we provide 5.9 million in job opportunities.

AAA is the nation's largest travel organization, and as such we are actively involved in the industry at all levels - locally, regionally, nationally, and internationally.

Consistent with your goals and mission for our nation, is the proposal from the Congressional Travel and Tourism Caucus which urges a White House Conference on Tourism.

This conference would serve as a catalyst for economic growth and would address many of the problems plaguing our industry such as airline bankruptcies, industry layoffs, and the postponement of aircraft orders due to an industry now affected by a world wide slow down.

Just as members of Congress have enthusiastically greeted this proposal, I urge you, as our nation's leader, to support this effort to bring about a better understanding of this vital industry; and to foster economic and social growth for our future.

Very truly yours,

James W. Parks
President and Chief Executive Officer

JWP:jtb

cc: David Gergen, Director of Communications
Howard Paster, Assistant to the President for Legislative Affairs
Susan Pikrallidas, AAA Government Relations

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The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

June 2, 1993

Dear Mr. President,

The Automobile Club of St. Joseph, Missouri, affiliated with the American Automobile Association wishes to endorse a meeting of the White House Conference on Tourism.

The Conference will provide the industry with a listing of challenges and at the same time would present some possible opportunities. A possible format would be one similar to the previous White House Conference on Small Business, which had state, regional and an eventual national conference in Washington.

The Automobile Club of St. Joseph strongly suggest such a conference be held and would be pleased to serve in any capacity.

Sincerely,

Richard C. Hope, General Manager
The Automobile Club of St. Joseph Missouri

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cc: David Gergen
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Washington, D.C. 20500

Howard Paster
Assistant to the President for
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Attention: Susan Pikrallidas

73-015 O - 93 - 10

Ohio Motorists Association
6000 South Marginal Rd. Post Office Box 6150 Cleveland, Ohio 44101 216-361-6000
Office of the President

June 2, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President,

Together with other AAA auto clubs operating in all 50 states to serve our 34 million AAA members, we urge you to convene a White House Conference on Tourism with the idea that accelerating tourism is a sure and powerful way to accelerate the economy.

Last year in Ohio, some 324,000 people were directly employed in tourism which generated $8.9 billion in revenues. Indirectly, about 36,000 people worked in the supplies business and 207,000 induced jobs were created by this economic activity for a total impact of 567,000 jobs. Equally important, travel businesses supplied $359 million in state taxes and $130 million in local taxes last year, while the total taxes of direct, indirect and induced business were estimated at $1.2 billion.

You are no doubt aware of tourism's impact nationally. Tourism is the nation's second-largest employer, providing 5.9 million jobs. Tourism-related businesses have a combined annual payroll of $91 billion and contribute $344 billion in expenditures to the nation's economy each year. (In fact, tourism is among the top 3 employers in 40 of the 50 states.)

Associated with the tourism industry over nearly a century, our auto club is keenly aware how quickly an economy can react to increased tourism. As an organization accustomed to using the expression, we urge you to jump-start the economy with strong promotion of tourism.

Please give full consideration to a White House Conference on Tourism as soon as possible. We are ready and willing to be of help, Mr. President.

Cordially,

Peter C. Ohlheiser
President

hec/jz

c: George Stephanopoulos
Assistant to the President & Director of Communications

Howard Paster
Assistant to the President for Legislative Affairs

Susan Pikrallidas ✓
AAA Government Relations

California State Automobile Association

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EXECUTIVE OFFICES

May 28, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I am writing on behalf of the California State Automobile Association (CSAA) to support the convening of a White House Conference on Tourism. CSAA is a not-for-profit motor club, serving nearly 3.3 million California and Nevada members, as an affiliate of the American Automobile Association (AAA).

CSAA plays a significant role in the promotion of travel and tourism in the West. CSAA is represented in each of the following travel and tourism associations or groups: California Travel Industry Association; California Lodging Industry Association; California Hotel/Motel Association; California Trailer Park Association; Bed and Breakfast Industry Council; Governor Wilson's Council on Tourism; Rural Tourism Program; Pacific/Asia Travel Association; and the Cruise Lines International Association.

As part of the AAA federation, CSAA is a major provider of touring and travel services throughout Northern and Central California and Nevada. We are well aware that a healthy, active tourism industry is vital to maintaining a strong economy, and offer our strong support to this effort.

Very truly yours,

Brian Hill

Brian Hill
President

BH/jd

cc: Mr. George Stephanopoulos
Mr. Howard Paster
AAA Government Relations

Potomac

Ronald W. Kosh
General Manager

12600 Fair Lakes Circle
Fairfax, Virginia 22033-4904
Telephone 703/AAA-4008
FAX 703/AAA-4678

May 25, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to respectfully request your support for a White House Conference on Tourism. We would greatly appreciate your participation in such a forum, as it would help spotlight national attention on the key role the travel and tourism industry plays in the nation's economy.

Tourism is a robust engine of economic growth, having enormous impact on our nation's economy and possessing immense potential for future growth and job creation. I'd like to share a few facts that illustrate the dynamic way in which tourism drives our changing economy:

- Tourism now ranks as America's third largest industry, and is our fastest growing industry. By the year 2000, it will be our number one industry.

- Between 1986 and 1991, expenditures by Americans traveling in the U.S. increased by more than a third.

- Jobs created by tourism are high-skill, high-wage jobs: In 1991, wage and salary income from tourism was four times greater than that of the nation's steel and automobile manufacturing industries combined.

- Travel and tourism employment has grown twice as fast as total U.S. industry employment since 1980, and during the recent recession outperformed total U.S. industry in generating new jobs.

- Federal, state and local governments receive nearly $50 billion in tax revenues from tourism each year.

For your information, AAA Potomac serves the Metro Washington area, including the District of Columbia, suburban Maryland and Northern Virginia. As you may recall, AAA provided your Monticello-Washington Inaugural Bus journey with our famous Triptik, mapping out that historic tour. AAA Potomac provides its 700,000 local members with similar personal travel and auto services, as well as a host of other specialized benefits.

AAA also works to protect the rights, safety, comfort and economic well-being of the traveling public. On behalf of our members, I would like to thank you very much for your consideration of a White House Conference on Tourism.

Sincerely,

RWK/jru

cc: The Honorable Ronald H. Brown
Secretary of Commerce
Department of Commerce
14th & Constitution Avenue, NW
Washington, D.C. 20230

The Honorable George Stephanopoulos
Assistant to the President and Director of Communications
The White House
Washington, D.C. 20500

The Honorable Howard Paster
Assistant to the President for Legislative Affairs
The White House
Washington, D.C. 20500

The Honorable Robert Rubin
Assistant to the President for Economic Policy
The White House
Washington, D.C. 20500

The Honorable Alexis Herman
Assiatant to the President for Public Liaison
The White House
Washington, D.C. 20500

AAA Automobile Club of New York

HEADQUARTERS: 1415 KELLUM PLACE • GARDEN CITY, NEW YORK 11530-1690

OFFICE OF THE PRESIDENT

May 26, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

We are writing to urge your support for a White House Conference on Tourism.

As you probably know, tourism is this nation's number one export, its second largest employer, and its third largest retail industry. In 1991, travel pumped $360 billion into the nation's economy, while nearly six million workers in the travel industry collected annual wages totaling $91 billion. And, a record 40 million international visitors spent $64 billion in the United States.

We believe a White House Conference on Tourism would be an effective means of focusing attention on the tourism industry's important role in the national economy, the potential of tourism as a catalyst for economic growth and the problems and challenges facing this industry. Such a Conference would also provide a forum where the industry could outline the challenges and opportunities it faces, and develop national strategies and policies to address them. We would expect such a Conference could be modeled on the previous White House Conference on Small Business, with state and regional conferences culminating in a national conference in Washington.

The Congressional Travel and Tourism Caucus has advocated a White House Conference on Tourism as an essential first step and a substantial contribution toward a better understanding of this vital industry's potential; it would also help realize many of the economic and social goals you have outlined in your vision for America's future.

The proposed Conference on Tourism has been greeted enthusiastically by a bi-partisan cross section of members of Congress and representatives of the tourism industry. Indeed, we and other members of the Travel and Tourism Caucus stand ready to assist you in generating the industry and governmental support necessary to bring about this important event.

May we, therefore, respectfully join with others who are writing to urge you to convene, at the earliest possible date, a White House Conference on Tourism.

Sincerely yours,

Donald T. Phillips
President

DTP:lsd

The Toledo Automobile Club

AAA Travel Agency

7150 W. Central Avenue
Toledo, Ohio 43617
419/843-1212
FAX 419/843-1216

28 May 1993

The Honorable Bill Clinton
President of the United States
THE WHITE HOUSE
Washington, D.C. 20500

Dear Mr. President:

As a former tourism small business owner and now Director of Travel for the Toledo Automobile Club I would like to ask for your support for a White House Conference on Tourism.

You are most assuredly aware of the positive impact that tourism has on our economy from the sheer number of people that the industry employes to the tremendous export value that it generates. It is a "clean" industry that is by and large kind to the environment.

If we are to get our economy churning we must increase employment which increases spendable dollars. The tourism industry provides so many entry level job opportunities for unskilled and semi-skilled workers. It is an easy step into the workforce.

On behalf of my company the Toledo Automobile Club and my national association the American Automobile Association, I seek your support in convening a White House Conference on Tourism.

Thanks for your help.

Sincerely yours,

D.J.M.

Diana J. Meinhold, CTC
Director of Travel

Copies to: George Stephanopoulos, The White House
Howard Paster, The White House
Marcy Kaptur, The House of Representatives
✓Susan Pikrallidas, AAA Government Relations
A. Karl Halbedl, President, Toledo Automobile Club

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AAA of Tidewater Virginia

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May 24, 1993

C O P Y

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

The AAA of Tidewater has over 267,000 members in our territory in Eastern Virginia, and we are writing to urge respectfully your support for the convening of a White House Conference on Tourism.

Our club area includes two major tourist attractions. One is the city of Virginia Beach, which in land area is the largest resort city in the United States. It attracts over one million visitors annually, a large number of whom come from Canada and the Midwest. Tourism is the second largest industry in Virginia Beach.

The other major attraction is the city of Williamsburg and its environs, with which, I am sure, you are well acquainted.

The AAA of Tidewater has five full-service travel agency offices. We are part of the national AAA in which sales for 1991 totaled more than $1.4 billion. We offer our members discounts on cruises, tours and airfares. Our area is heavily impacted by defense installations, and we sell a large number of international driver permits to military personnel traveling overseas.

We feel this White House Conference on Tourism should be modeled along the lines of the previous White House Conference on Small Business, and we feel confident that it would result in making a positive contribution to the nation's economic health.

We trust that after full consideration, you will be able to give your full support to the organization of this conference.

Respectfully,

E. Wallace Timmons
Director of Public Affairs

AAA KANSAS

AUTO CLUB
INSURANCE
TRAVEL AGENCY

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

May 28, 1993

Dear Mr. President:

I wish to express our organization's support for the convening of a White House Conference on Tourism. We are one of AAA's 139 affiliated not-for-profit Motor Clubs. We serve about 110,000 Kansans and cover most of the State of Kansas for AAA, with extensive Travel, Insurance and Financial Services.

As part of our mission, we are committed to being a good citizen organization in the communities we serve. We do this in many ways with local charitable organizations, such as United Ways, the American Heart Association, etc. But about two years ago, we found a really super, appropriate way to serve.

We discovered how important our state and local tourism-promoting efforts were to our economy. We learned how visitor's travels inject tax revenue to help fund vital programs and keep our property and income taxes from skyrocketing. So we participate with our time and resources in local convention & visitor bureau activity and help our State's Tourism department promote travel in our state, even though most of the activity they are after are not from our members, but travelers from other states.

We feel there is a huge, untapped potential in the Travel & Tourism economy. We think it's development could play a key role in the economic recovery we all seek. It's development could mean many, many more jobs, higher tax revenues and would give us a stronger weapon in the trade war with our foreign competitors.

We urge you to convene such a conference to enable the development of strategies to expand Travel & Tourism. AAA and it's clubs, of which we are one, have a long history of work with integrity in the public affairs arena...and we stand ready to help in any way can. The 34 million members of AAA are a "captive" grass roots organization for listening and testing purposes. I am sure our national office will provide this to you in your process. We are ready to be part of it.

Cordially,

James R. Hanni
President & CEO

cc:George Stephanopoulos
Howard Paster
AAA Government Relations, Susan Pikradillas

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Fax (201) 377-0967

FREDERICK L. GRUEL
President

May 26, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I am writing to add my voice to those of my colleagues urging you to convene a White House conference on tourism. Tourism has been long overlooked as a area that has the potential for having a profound impact upon the economy. However, there needs to be a collaborative effort between a broad spectrum of tourism-related fields in order to develop the strategies that will benefit the country and the economy.

In the state of New Jersey we have partnered with the State Division of Travel and Tourism to bring to our membership and the citizens of the state an awareness of our state's many offerings. We have long recognized that we have an important responsibility to stretch beyond the assumed parameters of tourism to the issues of environment, responsible development and the preservation of natural resources. However, it is my belief that we need to expand the capacity of the tourism industry to see beyond the current horizons through a national conference. The decentralized nature of the industry itself has prevented it from achieving its true potential. Yet, while it contributes in excess of $340 billion in revenue to the nation's economy, a conference of the type suggested will considerably enhance its value in the future.

The Honorable Bill Clinton
May 26, 1993
Page 2

Clearly, Mr. President, you have the opportunity to convene a forum that will have a significant impact upon the economy and the tourism industry. You have the opportunity to positively impact a major component of the gross domestic product and at the same time, take another step on the road toward "putting people first." This conference will complement your vision to stimulate investment in communities and rebuild our national infrastructure.

We at the AAA New Jersey Automobile Club working within the travel industry are challenged by the powerful forces of change within the industry. We recognize that we have work to do and risks to take if we are to achieve the positive results we envision. Your support of a White House conference on tourism will do much to help us achieve the goals we have set for ourselves. I hope you will view this request and those of my colleagues in a favorable manner.

Very truly yours,

Frederick L. Gruel

cc: George Stephanopoulos
Assistant to the President and
Director of Communications

Howard Paster
Assistant to the President for
Legislative Affairs

AAA Government Relations
Washington, DC

American Automobile Association

Lewistown Motor Club

P.O. Box 906
Lewistown, PA 17044
717-242-AAA1
717-242-0642 Fax

Robert S. Wilson
President

May 20, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I understand that Representative Jim Oberstar, Chairman of the Congressional Travel and Tourism Caucus, has submitted a proposal to you requesting the convening of a White House Conference on Tourism.

As the President and General Manager of an AAA Club, which deals daily in the field of travel and tourism, I feel that it is urgent that more emphasis be put on the development of tourism in the United States.

As an experienced traveler, I also am appalled at the lack or organization and coordination for tourism here in the United States as compared to many foreign countries.

Not only is tourism a main stay for the United States economy but through the development of travel in the United States by foreign visitors our trade balance can be improved vastly.

I would urge that you support this proposal and convene and support a White House Conference on Tourism.

Thank you for your consideration.

Yours truly,

Robert S. Wilson
Pres. & Gen. Mgr.

RSW/se

cc: George Stephanopoulos
Howard Paster
AAA Government Relations

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May 17, 1993

The Homorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

It is our understanding that attempts are being made to put into force a White House Conference on Tourism.

Our (USA) ranking in the world in the amount of money spent on tourism in 1990 is astonishing, eapecially when you read that France spent $196.1 million compared to the United States Tourism Administration spending $14.3 million.

The American Automobile Association, of which we are an affilate club is one of the leaders in tourism in the United States. Our small club alone (25,400+) members gave some type of travel service to 45,000 individuals last year alone. I am sure our headquarters could give you or have given you figures that would amaze anyone regarding travel. I understand from the past figures that Tourism is amoung the top three employers in 40 of the 50 states.

Representing our 25,400 AAA members and a population of our county in excess of 84,000, we fully recommend and support a White House Conference on Tourism. If nothing else, it would bring together the right people, with great ideas and contribute to the revitalization of the US economy. I am sure this great organization of AAA would be available to assist in any way possible this conference, thus creating additional jobs and would certainly aid in all communities future growth.

Respectfully,

Donald Plotner

Donald Plotner, Manager

cc: George Stephanopoulos
Howard Paster
AAA Government Relations
File

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TWIN FALLS 1041 BLUE LAKES BLVD. N. PHONE 734-6441 BOX NN 83301

May 20, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

Idaho's AAA affiliate, representing 52,000 Idahoans, wholeheartedly supports the bipartisan proposal currently proffered by Rep. Jim Oberstar requesting the convening of a White House Conference on Tourism. We urge your consideration for this nationwide effort to call attention to the importance of travel and tourism as a positive contributor to our nation's economic health.

The 34-million-member American Automobile Association, a member of the Tourism Industry Advisory Board to the Caucus, understands the important contribution tourism plays in the economic well being of this country.

Tourism is Idaho's third largest and fastest growing industry, contributing $1.5 billion annually to the state's economy and employing more than 30,000 people. Idaho attracts 7 million travelers each year. AAA Idaho actively promotes this industry with our domestic auto travel and travel agency divisions. We take an active interest in the state's transportation infrastructure, often joining the state's policymakers to engender support for our roads and bridges. In addition, our member publication, the Idaho Motorist regularly advances all modes of travel.

Consistent with your own stated goals for the national economy, we believe the Tourism Conference can be the impetus to sustained industry growth that will complement the economic growth stimuli you have proposed. When we consider the vital impacts such efforts can have on infrastructure investment and small business development, we are convinced our communities, states and the nation stand to gain much from such a conference.

(continued)

The potential problems and challenges notwithstanding, travel and tourism industries stand poised for growth. By directing the nation's attention to travel and tourism, the Tourism Conference will offer a forum where we can develop national strategies and policies to deal with the economic, environmental, and technological considerations of this important subject.

President Clinton, thank you for your consideration to this vital issue.

Sincerely,

Richard G. Navarro
President, Idaho State Automobile Association

cc. George Stephanopoulos
Howard Paster

AAA IOWA

Membership
Insurance
Travel Agency

1500 30th Street, West Des Moines, Iowa 50266; 515/223-4104

May 19, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

AAA Iowa is a member based organization consisting of 315,000 Iowans. We are affiliated with the American Automobile Association which includes 34 million members in the United States and Canada. We are dedicated to working in the best interests of the travelling public, especially in the areas of highway safety, legislation, tourism, and insurance services.

We are writing to urge you to convene a White House Conference on Tourism. We feel such a conference would focus attention on the tourism industry's important role in the nation's economy, the potential of tourism as a catalyst for economic growth and the challenges facing the industry.

Tourism is Iowa's third largest industry which provides for 45,000 jobs. Nationally, tourism is America's number-one export. It also is the nation's second largest employer.

Even with these impressive employment figures, tourism is still an undervalued resource. The United States ranks twentieth in the world in the amount of money spent on official programs to attract foreign visitors. In fiscal year 1990, the United States Travel and Tourism Administration spent $14.3 million for this purpose.

A White House Conference on Tourism would help develop an informed leadership to assist communities in developing stable and rational growth in the industry. In addition, the conference could address tourism related issues such as improvements in the National Transportation Network, investing in highway technology and development of a network of scenic byways.

A possible format for a conference would be to include a broad spectrum of people with expertise in travel and tourism related fields, including the transportation, hospitality, travel arrangements, amusements, recreation, and

finance industries as well as academia and federal, state and local government. A series of state and regional meetings could be held culminating in a national conference.

Again, we urge you to give serious consideration regarding a White House Conference on Tourism. Thank you for your time on this important matter.

Sincerely,

Douglas P. Woolf
Director, Public Affairs

DPW/jgt

cc: George Stephanopoulos
Assistant to the President
and Director of Communications

Howard Paster
Assistant to the President
for Legislative Affairs

✓Susan Pikrallidas
AAA Government Relations

AAA SOUTH JERSEY

May 19, 1993

The Honorable William Clinton
President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

The AAA South Jersey, covering Camden County, Gloucester County, Salem and Cumberland Counties strongly support a White House Conference on Tourism. AAA is very involved with travel and travel related services.

We here at the AAA South Jersey are also greatly involved in State and local travel and tourism promotion activities. We are on the Jersey Cable Network promoting travel and tourism to the State of New Jersey.

We do hope that you will give this your serious consideration.

Sincerely,

Cornelia S. Haines

CSH:rt

Cornelia S. Haines
Executive Vice President

CC: George Stephanopoulos
Howard Paster
AAA Government Relations

AAA NORTHEAST PENN

1035 N. WASHINGTON AVENUE, SCRANTON, PA 18509 • PHONE (717) 348-2511

Regional Offices:	Carbondale, PA	Stroudsburg PA	Towanda PA	Montrose, PA	Honesdale, PA	Tunkhannock PA
	282 1390	421 2500	265 6122	278 1552	253 0160	836 5104

May 17, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

The purpose of this letter is to request you to convene a White House Conference on Tourism. We know that you are aware of the great impact that tourism has on our economy.

AAA NORTHEAST PENN has a territory covering eight counties in Northeastern Pennsylvania with a membership of over 132,000. Our headquarters office is in Scranton and we have six additional regional offices in our territory. We have over 100 employees and will be celebrating our 75th Anniversary this year since we were incorporated in May, 1918.

Tourism is extremely important to us. In our AAA club territory we have the beautiful Pocono Mountains and the Endless Mountains in the northern sector. Steamtown U.S.A. has also been established in Scranton in addition to Montage Mountain; the historic Lackawanna Station Hotel; and numerous other tourist attractions. All of these are a very important part of our economy.

We wish you to please give this request your personal attention. Thank you for your consideration.

Respectfully yours,

Robert F. Singer

ROBERT F. SINGER
President and C.E.O.

RFS:eab

cc: George Stephanopoulos
Howard Paster
Susan Pikrallidas

Winston-Salem Automobile Club, Inc.

Thomas W. Moore, Jr.
President

Charles L. Berry
Executive Vice-President

American Automobile Association

Winston-Salem

611 Coliseum Drive
Winston-Salem, NC 27106
919/725-1921
FAX 919/725-3211

May 18, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

AAA Winston-Salem supports and respectfully requests your support for a White House Conference on Tourism. Such a conference would provide the industry a forum to outline the numerous challenges it faces, as well as the opportunities it presents.

AAA Winston-Salem has long been a supporter and promoter of tourism by not only the nature of our business, but as a member of the North Carolina Travel Council, the North Carolina Highway Users Conference and the Highway Users Federation. While the concerns of the latter two are mainly on highway safety, design, use, etc., all these things contribute to increased tourism.

The American Automobile Association has reciprocal agreements with many foreign motoring clubs. Their members may visit the United States and use their memberships at any AAA club, thereby providing incentive for them to join their local club. This in turn makes it easier for them to obtain travel materials about the United States and provides further enticement for them to visit the U.S.

As you can see, AAA has a vested interest in furthering our nation's number one export--tourism. We again respectfully request your support of a White House Conference on Tourism.

Respectfully yours,

Thomas W. Moore, Jr.
President

CLB:cb

Copy to Mr. George Stephanopoulos
Mr. Howard Paster
AAA Government Relations

AAA READING-BERKS
920 Van Reed Road, Wyomissing
Mailing Address: P.O. Box 1696 • Reading, PA 19603-1696
(215) 374-4531 • FAX (215) 478-1269

May 19, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I am writing to you to ask for your support for a White House Conference on Tourism.

Rep. Jim Oberstar, Chairman of the Congressional Travel and Tourism Caucus, has submitted a bipartisan proposal to you requesting the convening of a White House Conference. Our AAA Club is in agreement with his suggestion.

Tourism is the fastest growing industry and is predicted to be #1 by the year 2000, according to the U.S. Department of Commerce. In the U.S. the tourism industry is currently #3 behind auto sales and food sales. The tourism industry includes 15 inter-related businesses from lodging establishments, airlines and restaurants, to cruise lines, car rental companies, travel agents and tour operators.

Tourism has a big affect on our economy, generating $350 billion in sales, 6.8% of the GNP, supporting 5.8 million jobs directly and 2.74 million jobs indirectly. Paying $73.7 billion in wages and salaries. Also, paying $42.9 billion in federal, state, and local taxes.

AAA Reading-Berks has a direct affiliation with our national organization, the American Automobile Association, which has nearly 1,000 full-service travel agencies with 1991 total sales of $1.4 billion. AAA is the world's largest travel publisher and distributes more than 335 million pieces of travel material each year, including Tourbooks, Triptik routings, and maps. More than 11,600 lodgings, 1,500 attractions, and 1,000 restaurants offer discounts to AAA members.

On the local level in Reading and Berks County, Pennsylvania, we are first in the nation to start outlet stores for retail purchases. Our area is known as the "Outlet Capitol of the World," which brings revenue to our hotels, motels, and local restaurants. We are a member of the local Chamber of Commerce and also give support to the Berks County Visitor Center located at the VF Outlet Center in Wyomissing, PA.

In our AAA Reading-Berks Magazine, we do articles on local travel to give our members the opportunity to visit these locations and support our local merchants.

So, President Clinton, I hope I have given you sufficient information to gain your support and leadership to convene a White House Conference on Tourism.

Thank you for your support.

Sincerely,

Donald H. Kline

Donald H. Kline
Executive Vice President

DHK:les

cc: -George Stephanopoulos
Assistant to the President & Director of Communications
-Howard Paster, Assistant to the President for Legislative Affairs
-AAA Government Relations

BRANCHES

East Liverpool, Ohio
516 Broadway
Phone (216) 385-2020

Salem, Ohio
600 East Second Street
Phone (216) 332-0371

Columbiana, Ohio
118 South Main Street
Phone (216) 482-3836

FOR FRIENDS YOU CAN CALL ON WHEREVER YOU GO

COLUMBIANA COUNTY MOTOR CLUB

516 BROADWAY, EAST LIVERPOOL, OHIO 43920, PHONE (216) 385-2020

May 18, 1993

Dear Mr. President:

AAA Columbiana County is supportive of a White House Conference on Tourism. The important impact of tourism on our economy is often undervalued. It is important for us to closely examine our investment in this very significant industry. Development of local tourism can bring about jobs - something our community badly needs.

It is my understanding that Rep. Jim Oberstar, Chairman of the Congressional Travel and Tourism Caucus has submitted a bipartisan proposal to your office requesting the convening of a White House Conference on Tourism. I urge you to give the proposal favorable consideration..

Sincerely,

Brent English

J. Brent English
General Manager

COPY: AAA GOVERNMENT AFFAIRS/SUSAN PIKRALLIDAS

American Automobile Association

Jamestown Automobile Club, Inc.

111 West Fifth Street • P.O. Box 279
Jamestown, New York 14702-0279
716/488-1981 • FAX 716/483-2779

May 18, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

First of all, Congratulations and Best Wishes. They say the first 100 days or is it years are the hardest! In any event all Americans wish you good luck.

On behalf of our Board of Directors, our 16,000 members and myself I request that you consider convening a White House Conference on Tourism.

Our Club generates millions of dollars in travel sales each year and our National Association generates hundreds of millions in sales! Travel and Tourism is one segment of the economy that is growing by leaps and bounds and frankly unless it is better understood we just might kill the goose that laid the golden egg!

Travel and Tourism is our #1 export, Tourism generates jobs at a much quicker rate than other segments of the economy, Tourism improves quality of life and Tourism generates a ton of taxes!

We need to look in depth at all the problems facing Travel and Tourism and to do something to help it continue to prosper. Please consider a Conference on Tourism as a first step.

Sincerely,

Barry L. Benson
President

BLB/jm

cc: George Stephanopoulos
Howard Paster
AAA, Government Relations

American Automobile Association

3000 Southwest Freeway
Houston, Texas 77098-4599
713/524-1851

Richard C. Hanko
Group General Manager

June 1, 1993

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

AAA Texas/New Mexico/Oklahoma urges President Bill Clinton to convene a White House Conference on Tourism. The American Automobile Association feels such a conference would focus attention on the tourism industry's important role in the nation's economy, the potential of tourism as a catalyst for economic growth, and the problems and challenges facing this industry.

Continued growth of the tourism industry in consistent with the stated goals for the national economy and complement infrastructure investment and small business development.

Tourism is an important contributor to the national economy. In 1991, an estimated 42.7 million foreign visitors spent $48.8 billion at U.S. travel destinations. Tourism is also the nations second-largest employer, providing 5.9 million jobs. Tourism-related businesses have a combined annual payroll of $91 billion and contribute $344 billion in expenditures to the nation's economy each year. Tourism is among the top three employers in 40 of the 50 states.

Yet, tourism is an undervalued resource. The United States ranks 20th in the world in the amount of money spent on official programs to attract foreign visitors. In FY 1990, the United States Travel and Tourism Administration spent $14.3 million for this purpose. In the same year, the government of Spain spent $256.7 million, France spent $196.1 million, Greece spent $94.1 million, and Australia spent $44.5 million. The tourism industry already has an excellent record of creating new employment opportunities.

Many communities already have the tourism resources with potential to improve their economic conditions, but lack the leadership and organizational framework to organize, plan and implement programs to improve the economic health of their area. A White House Conference on Tourism will help develop an informed, active leadership to ensure the stable and rational continued growth of the industry.

We share many of the social concerns outlined in Putting People First and believe some of these issues could be addressed through a conference of this nature. The President's vision to create opportunities and new partnerships committed to community service, stimulate investment in communities, empower through economic opportunity and rebuild our national infrastructure mirror the goals of tourism development.

This year, U.S. airlines will have lost $2 billion, bringing total losses for the past three years to $8 billion. Three major airlines have gone out of business; another three are in bankruptcy; all are having difficulty raising the amount of money necessary to buy the updated equipment they will need in the future. Airlines have laid off 60,000 employees, and thousands more have lost their jobs in industries dependent on the airlines. Hundreds of aircraft orders have been canceled or postponed. For each of these canceled orders, it is estimated 5,000 jobs are lost. Tourism also has a significant stake in the economic health of our nation's cities.

There are other elements of the President's vision for America that we believe a tourism conference can address: improvements to our national transportation network, such as renovating our country's roads, bridges, railroads and the creation of a high speed rail network linking our major cities; investment in "smart" highway technology to expand the capacity, speed, and opportunities for pleasure driving and provide small communities in scenic rural areas to develop their tourism potential. Moreover, much of the cost of these improvements will be met by federal fuel tax revenues--much of it now sitting idle in the Highway Trust Fund--collected from a vast array of travelers and tourism-related businesses.

We anticipate that participants in the White House Conference on Tourism would be selected by the President and Members of Congress. The conference would be conducted under the auspices of the Department of Commerce, and an executive director and small support staff would be dedicated to its operation.

Authorizing legislation would not be needed for this purpose; funding would be provided through a line-item appropriation. (Although a budget for the White House Conference on Tourism has not yet been developed, the authorization for the Conference on Small Business was $5 million.)

Of course, the format, agenda and budget for the conference would be open to discussion and revision.

AAA Texas/New Mexico/Oklahoma, representing over one million travelers, truly believes a White House Conference on Tourism could contribute substantially toward a better understanding of this vital industry's potential while realizing many of the economic and social goals President Clinton outlined in his vision of America's future. We stand ready to assist you in making a White House Conference on Tourism a reality.

Sincerely,

Richard Hanko

Richard Hanko
Group General Manager

cb

cc: Susan Pikrallidas

ALBERTINE Enterprises INCORPORATED

ADDITIONS TO THE RECORD

Public Policy Advocacy
Economic Forecasting
Public Relations

August 12, 1993

Mr. David F. Traynham
Professional Staff
House Public Works and
Transportation Committee
Subcommittee On Aviation
Room 2251, Rayburn HOB
Washington, DC 20515

Dear Dave:

Albertine Enterprises, Inc. has recently been retained to serve as the Washington Congressional Liaison for the International Association of Convention and Visitor Bureaus.

At the suggestion of Ms. Halle Czechosowski, Executive Director, Congressional Travel and Tourism Caucus, I am sending you a copy of a written statement by Mr. Richard Newman, C.E.O. at IACVB, on H. Con. Res. 110. Mr. Newman is requesting that his statement be inserted in the record of the August 4, 1993 joint hearings on H. Con. Res. 110, held by the Aviation and Surface Transportation Subcommittees.

Thank you for your assistance with my request. As in the past, Dave, I look forward to working with you.

Best regards,

Jim Albertine

Jim Albertine

JA/cav

Enclosure

1250 - 24th St. N.W., Suite 600
Washington, DC 20037
Telephone: (202) 466-0561
FAX: (202) 466-3079

701 Kenmore Ave.
Fredericksburg, VA 22401
Telephone: (703) 373-0189
FAX: (703) 373-0586

WRITTEN STATEMENT OF MR. RICHARD J. NEWMAN,
PRESIDENT AND C.E.O., INTERNATIONAL
ASSOCIATION OF CONVENTION AND VISITOR BUREAUS
ON PROPOSED WHITE HOUSE CONFERENCE ON TOURISM

TO THE

SUBCOMMITTEES ON AVIATION AND SURFACE TRANSPORTATION

HEARINGS, AUGUST 4, 1993

On behalf of the International Association of Convention and Visitor Bureaus (IACVB), I am delighted to comment on the positive impact of tourism upon the national and international economies and to extend IACVB's support for convening a White House Conference on Tourism.

IACVB was founded in 1914 to promote sound professional practices in the solicitation and servicing of meetings and conventions. In 1974, "Visitor" was added to the association's name to reflect the expanded scope of member activity in the leisure travel industry.

IACVB membership consists of more than 400 member bureaus worldwide. A convention and visitor bureau is a not-for-profit umbrella organization that represents a city or urban area in the solicitation and servicing of all types of travelers to that city or area...whether they visit for business, pleasure or both. It is the single entity that brings together the interests of city government, trade and civic associations, and individual "travel supplier" - hotels, motels, restaurants, attractions, local transportation - in building outside visitor traffic to the area.

Because of the ubiquitous nature of Convention and Visitor Bureaus in the local travel and tourism area, I would like to associate my comments with the distinguished panelists who appeared before the Subcommittees on August 4, 1993. IACVB endorses the idea of a White House Conference as one way for this industry to gain the recognition and understanding it needs to provide an even greater economic benefit to our country than it does today.

Travel and tourism is a major U.S. industry. In most areas, the travel and tourism industry is either the first, second or third largest employer. Travel and tourism make good business sense for state and local interests seeking ways to provide sustainable economic development.

IACVB agrees totality with Chairman Oberstar's comments that "...few government leaders recognize the role that promotion and development play in boosting tourism into one of the nation's largest industries..." This is an industry that provides our economy with 5.9 million jobs, $91.2 billion in wages and salaries, $380 billion in sales and $47 billion in tax revenues. Last year travel and tourism was once again the nation's leading export, generating $71.2 billion in expenditures from international visitors and a trade surplus of $20.4 billion.

A White House Conference on Tourism will help focus the nation's attention on our industry and in turn the attention of our representatives at the federal, state and local levels.

IACVB agrees with the goals of the travel and tourism industry to:

- **promote the health of the airline industry**
- **provide more funding to promote the U.S. travel around the world.**
- **boost investment in our national transportation infrastructure**
- **reduce the burden of increasing taxation on the traveling public and the travel industry as a whole**
- **improve passenger facilitation through improvements in technology by the INS and U.S. Customs Service.**

Mr. Chairman, IACVB stands ready, willing and able to assist you and the Congress achieve these goals. We firmly believe that a White House Conference on Travel and Tourism will help assist in the attainment of those goals.

Thank you.

OFFICE OF THE VICE-SPEAKER
Twenty-Second Guam Legislature
Senator John Perez Aguon
Chairman, Committee on Tourism & Transportation
155 Hessler St., Agana, Guam USA 96910 • (671)472-3435 • 472-3497 • 472-3570/1/2 • Facsimile: (671)477-8358

August 3, 1993

Honorable Congressman James Oberstar
Chairman, Sub Committee on Aviation
2366 Rayburn Building
Washington, D.C. 20515

Dear Mr. Chairman,

Hafa Adai! Please allow me to express my full support, as Chairman of the Guam Legislature's Committee on Tourism and Transportation, on the intent of House Concurrent Resolution 110 to address issues of vital importance to the people of Guam. Tourism and travel, specifically, air travel, is Guam's lifeline and matters affecting the visitor industry and aviation are key factors in the island's economy. That Guam's Congressman Robert A. Underwood enthusiastically co-sponsors HR 110 is significant of the importance places on these areas.

As the territory's primary source of revenue and employment, tourism is vital, not only to Guam's economy and prosperity, it provides a venue for Guam's contribution to America's efforts towards peace, understanding and goodwill among all men. As the westernmost beacon of democracy and the showcase of free enterprise, Guam enjoys the unique opportunity of symbolizing the success of our visitor industry, Guam has become, for all intents and purposes, self-reliant and self-sufficient.

The success of Guam's visitor industry has meant many benefits for our people. The island's unemployment rate is the lowest in the nation and our people enjoy a standard and quality of living comparable to their fellow Americans in the Continental U.S. The visitor industry, directly and indirectly, has provided the funds for much needed infrastructure development; for the expansion of educational opportunities for our people;

and for the improvement of services essential to an improved quality of life for everyone on Guam. It would be very difficult, indeed, to understate or underestimate the importance of tourism to Guam and her people.

In view of this, no one should be surprised or taken aback that our leaders and our people are willing and prepared to exert all our energies and resources in order to jealously protect this industry that we have carefully nourished and nurtured for so many years. We are constantly reviewing laws, local, as well as, federal, to determine their impact on our lifeline. When detriments are identified, we are quick to seek resolution. When benefits are obvious, we are equally as quick to invite and nurture those benefits.

In this vein, we are supportive of HR 100. We support its intent to convene a conference on tourism and we will be one of the first to enroll for such a conference. In fact, Mr. Chairman, might I be so bold as to suggest that Guam be studied as one of the options for the conduct of such a conference. Guam's experience would provide a wonderful opportunity for all to see and learn of just how much the visitor industry can accomplish in a short period of time. I would welcome any opportunity to participate in this most important venture.

Our visitors, especially from our neighboring Asian countries, are warmly greeted with a friendly island hospitality as they set foot on Guam, the first U.S. soil in the western pacific. In addition to her friendly and hospitable people, the relaxing warm sandy beaches under clear blue skies and adequate room accommodations in first class hotels, Guam offers a variety of optional recreational tours and activities for all out visitors to enjoy.

The beautiful ocean provides the convenient venue for water recreational activities such as snorkeling, skin diving, jetskiing, or simply relaxing and enjoying a beautiful sunset cruise in one of our cruise vessels. The Atlantis V Submarine tour provides an opportunity for our visitors to enjoy the beauty and mystery of Guam's undersea world.

The hotels also provide a variety of entertainments such as the Pacific Fantasy Show which portrays the lore and culture of the pacific islands. To our friends from most Asian countries, Guam is only a four to four and a half hour air travel to enjoy a short vacation under the sun for a game of golf on one pf the luscious greens at one of the country clubs.

Thank you for the opportunity to comment on the importance of tourism and I extend my best wishes for success in the up-coming conference.

Sincerely,

JOHN PEREZ AGUON

Statement of the
Honorable James H. Bilbray

Testimony before the House Public Works Committee
Subcommittees on Aviation and Surface Transportation
U.S. House of Representatives

August 4, 1993

I would like to thank Chairman Oberstar, and Chairman Rahall and members of the Avaition and Surface Transportation Subcommittees for allowing me to testify on the importance of having a White House Conference on Tourism. I represent a congressional district in Las Vegas, Nevada in which the tourism industry plays a major role in the Southern Nevada economy. That is why I am in support of the White House Conference on Tourism.

As Chairman of the House Small Business Subcommittee on Procurement, Taxation, and Tourism I understand the need for establishing a leadership forum to focus attention on the role of Tourism in today's economy. Tourism is America's number-one export, and is also the nation's second largest employer. Specifically, in 1992, 5.9 million U.S. jobs were supported by spending by domestic and international travelers.

Domestic and international travelers spent $380 billion in 1992 in the United States. Yet, tourism is an under-valued and under-appreciated economic resource for this country. The United States ranks 20th in the world in the amount of money spent on official programs to attract foreign visitors. In FY 1990, the United States Travel and Tourism Administration (USTTA) spent 14.3 million for this purpose. In the same year, the government of Spain spent $256.7 million, France spent 196.1 million, Greece spent 94.1 million, and Australia spent 44.5 million.

Mr. Chairman, the proposed White House conference on Tourism is vital in the development of a format to exploit this vital industry's potential. Small businesses account for over 90 percent of travel and tourism industry. Tourism represents a unique opportunity for small business development in disadvantaged communities to diversify and improve their economic base.

Many communities already have tourism resources with potential to improve their economic conditions, but lack the leadership and organizational framework to organize, plan and implement programs to improve the economic health of their area. A White House Conference on Tourism will help develop an informed, active leadership to ensure the stable and rational continued growth of the industry. This conference would bring together people and

ideas, create necessary communication linking the tourism community and identify the many ways in which this industry could contribute to the revitalization of the U.S. economy.

Finally, "preserving places of natural beauty and of ecological importance such as National Parks, wilderness areas, and wetlands so we can pass on America's natural splendor to our children," is a goal tourism shares. I look forward to working with you in an effort to make the small business community more inclusive in the vast economic opportunity that is American Tourism.

Thank you again for an invitation to this hearing,

Roger H. Ballou
President
Travel Services Group, U.S.A.

August 12, 1993

Dear Chairman Oberstar:

These comments are submitted by the American Express Company to be included in the record of the joint Aviation and Surface Transportation Subcommittee hearings held on August 4, 1993, regarding the convening of a White House Conference on Tourism.

Travel and tourism is the country's largest export and has the potential to make an even greater contribution to America's economic growth. It is an industry comprised of many diverse businesses across our country and is vital to the economic well-being of our nation. A White House Conference on Tourism would bring together people and ideas, creating a channel of improved communication linking the different segments of the tourism community. It could also identify the many ways in which this industry could contribute to the revitalization of the U.S. economy. Most of all, it would help create the needed organizational framework to allow communities to develop their tourism resources. One way of structuring a Conference is to organize meetings on a state, regional and national level.

Travel and tourism is a significant part of the American economy in that the industry strengthens the economic base of every single congressional district in the country. Tourism is jobs, tax revenues, investment, growth, and opportunity. The economic power of the travel and tourism industry has a tremendous effect on our country.

A recent study surveyed over 400 policy and opinion leaders on the economic contributions of different industries and revealed that travel and tourism is perceived to be our country's 12th largest industry. In fact, the U.S. travel and tourism industry:

- Is our single largest export - in 1992 more than 44 million international visitor spent $71.2 billion in the U.S. economy for a net trade surplus of $20.4 billion;
- Directly employs 6 million people and indirectly creates employment for another 3 million Americans, or 1 in every 13 workers;
- Accounts for 13% of consumer spending - the largest expenditure after food;
- Raises capital investments of nearly $50 billion annually; and,
- Contributes over $77 billion in taxes.

American Express Travel Related Services Company, Inc., American Express Tower, World Financial Center, New York, NY 10285-3900

These statistics demonstrate the magnitude of the industry. The rate of worldwide growth of the industry is equally impressive. By 2005, the industry's output -- 3 trillion dollars worldwide today -- is expected to reach 5.5 trillion dollars. And in the process, 30 million new jobs will be added. Travel and tourism is a global industry with an enormous economic influence.

Earlier this year, Darryl Hartley-Leonard, President of Hyatt International, and I sent a plank on "Economic Development through Travel and Tourism" to the Administration. The six major points in the plank are critical issues that a White House Conference on Tourism could address. These points include:

- Creating jobs by building infrastructure.
- Boosting exports by aggressively marketing the U.S. to international visitors.
- Growing arrivals.
- Taxing our industry fairly and wisely.
- Endorsing a national education campaign to prepare young people for career opportunities in travel and tourism.
- Fostering cultural and environmental preservation through tourism.

I have enclosed a copy of the plank and request that it be included in the hearing record.

A White House Conference on Tourism could facilitate the nation's awareness that the travel and tourism is a viable and vital industry making positive contributions to the economy of the country. Through a private/public partnership, we can work together to help Americans understand and recognize the vast potential for job growth and economic development through an environmentally-friendly industry.

American Express strongly endorses the concept of a White House Conference on Tourism and looks forward to working with you and the President to ensure a successful and productive Conference.

Sincerely,

Roger Ballou

The Honorble Jim Oberstar
Chairman
Subcommittee on Aviation
Committee on Public Works
and Transportation
2251 Rayburn House Office Building
Washington, D.C. 20515

Economic Growth Through Travel & Tourism

A Plank for the Clinton Administration

Roger H. Ballou
National Chairman
Travel Industry Association of America
President, TSG
American Express TRS Company

Darryl Hartley-Leonard
Chairman, Department of Commerce
Travel & Tourism Advisory Board
President
Hyatt Hotels Corporation

Preamble

The recent election provides an opportunity for the government and private sector to work in partnership to get our economy moving again. A free exchange of ideas is the starting point for finding the most potent economic levers.

The Travel & Tourism Industry welcomes a dialogue on:

- Accelerating the growth of the country's largest export industry; and
- Building momentum throughout the economy.

As one of the few industries able to tough-it-out and grow through the recent recession, Travel & Tourism is now the country's largest export and stands poised to make tremendously greater contributions to America's economic growth.

The Travel & Tourism Industry is a particularly attractive leverage point for rapid acceleration of our economy because the:

- Action-steps required are relatively easy;
- Modest investments will pay back an unparalleled rate of return in the short-term; and,
- Recommendation s integrate well into the fundamental long-term reforms already endorsed by the Administration.

This brief will:

- Detail the economic power of the industry;
- Recommend a plan for rapid economic growth; and,
- Spell out the potential economic benefits at stake.

The Power

A recent study surveyed over 400 policy and opinion leaders on the economic contributions of different industries and revealed that Travel & Tourism is perceived to be our country's 12th largest industry. In fact, the U.S. Travel & Tourism Industry:

- Is our single largest export—more than 43 million international visitors spent $64 billion in the U.S. economy for a net trade surplus of $16.8 billion;
- Directly employs 6 million people and indirectly creates employment for another 3 million Americans or 1 in every 13 workers;
- Accounts for 13% of consumer spending—the largest expenditure after food;
- Raises capital investments of nearly $50 billion annually; and,
- Contributes over $77,807 million in taxes.

These statistics sketch-out the magnitude of the industry. The estimates for worldwide growth of Travel & Tourism are equally impressive: from $2.9 trillion today to $5.5 trillion in output by 2005 and an additional 30 million new jobs. Travel & Tourism creates one new job every 10 seconds. [1]

While the worldwide growth trend is up, the anticipated U.S. share is on the decline by as much 2% a year. If we move decisively we can reverse the projected slippage in share and unleash the industry's growth potential. Travel & Tourism's significant contributions to the economy will force traction towards economic revival.

The following plan offers six concrete recommendations that would cause a compelling uptick in American exports, capital investments, and jobs.

1. *WTTC Global Economic Report*. The views of the WTTC were solicited in the preparation of this report and its economic analysis is widely referenced.

1. Create Jobs by Building Infrastructure

Billions of dollars lie unspent in the Federal Transportation Trust Fund—disguising the federal budget deficit—while our transportation infrastructure crumbles and congests. By releasing the $18 billion in the highway and transit trust fund and $7.5 billion in the aviation trust fund, we could quickly undertake an expansion and modernization effort that would create jobs and prepare our transportation network for the 21st century without increasing anyone's tax burden.

2. Boost Exports by Aggressively Marketing the U.S. to International Visitors

Without question, we could increase Travel & Tourism exports, if we took a more aggressive approach to marketing the U.S. as a destination.

The current $15.3 million budgeted annually for the U.S. Travel & Tourism Administration (USTTA) is grossly insufficient and ranks us 20th among nations competing for the lucrative international visitor. In this country vs. country competition, our marketing efforts are losing their edge. Consider the following:

- China has declared Travel & Tourism a strategic priority in their new economic plan;
- Australia has funded its Travel Commission with $100 million for marketing; and,
- Japan has reversed its policy of promoting 10 million outbound visitors and is now encouraging 10 million inbound tourists.

As the chase for international visitors intensifies, we must update and upgrade our methods of pursuit. A recent private/public partnership called the Go*USA coalition tested the value of an integrated marketing campaign in the United Kingdom and saw a massive return on investment. This program could be replicated in the top 10 markets for approximately $25 million and could more than double the Travel & Tourism trade surplus.

Travel & Tourism promotion is a market-building investment—not a subsidy. We should increase USTTA's annual budget for marketing and create a matching fund for industry contributions to federal and regional efforts.

3. Grow Arrivals

First, we must build an environment where all airlines can compete freely and openly. A dynamic and competitive air transport system is the key to unlocking greater growth in all of travel and tourism. For that reason, we need a multi-lateral aviation structure that expands markets, increases business, and strengthens the competitiveness of the airline industry.

Continuing efforts to open air transport markets bilaterally and multilaterally coupled with the elimination of economic and regulatory controls on entry price and capacity will stimulate growth further.

Second, our antiquated immigrations and customs facilities have built a modern day fortress America. The current procedures are a deterrent to incoming travelers and at odds with technological advances. Clearly the total quality management revolution has bypassed the U.S. international gateways.

Let's take our visitor processing into the 21st Century by doing a few simple things:

- Make Visa Waiver permanent;
- Allow INS to use modern technology, electronic data bases, etc., to examine low risk passengers;
- Expedite the processing of U.S. citizens;
- Expand pre-inspection and pre-clearance; and
- In the longterm, implement biometric "smart card" technology so that all travelers can carry a card that tracks to their hand-print. Through this and other innovations we can reduce bottlenecks and move all passengers through more quickly while enhancing security.

4. Tax the Industry Fairly and Wisely

The 1990 Federal Budget Reconciliation Act enacted the largest tax increase in American history—nearly 20% of which is to be paid by travelers. Additionally, travelers face a myriad of sales and occupancy taxes and user fees at the state and municipal levels.

As a price sensitive export industry, Travel & Tourism taxes reduce demand. For example, a 10% cost increase of a trip will reduce demand by 7.6%. Without question the current overtaxing of the traveler and the Industry is effectively "killing the goose that lays the golden egg."

Consistent with the larger trend towards a "user pays" philosophy, we recommend that travel-related fees and taxes should be reinvested in pro-growth activities such as infrastructure improvements, visitor services including language assistance, and the collection and dissemination of accurate and timely data on travel flows.

5. Endorse a National Educational Campaign to Prepare Young People for Career Opportunities in Travel & Tourism

Over the past decade, travel industry employment has grown 43%, more than twice the growth rate for all U.S. industries. By the year 2010, the domestic Travel & Tourism industry will need an estimated 24 million employees. The demand is real and growing.

Moreover, the industry provides a high proportion of jobs for Hispanics, African-Americans and women. Despite the myth, these are actually well paying jobs—with the average travel industry worker earning 13.6% more than the average for all industries.

We are at a juncture of opportunity as the industry's demand for qualified workers intersects with the needs of urban and minority youth. We should endorse an apprenticeship style industry model—similar to the Academy for Travel and Tourism—that offers high school students specialized academic instruction and practical work experience in a wide array of travel and tourism career fields.

The private sector can provide the tailored curriculum and generate the paid internships. The Administration can play a meaningful role by simply giving a platform and visibility to a partnership for education that is already working.

6. Foster Cultural and Environmental Preservation Through Tourism

Travel & Tourism provides an economic incentive to improve the natural environment and restore cultural heritage sites in inner-cities. By preserving the natural beauty of destinations such as our Federal Parks and reviving urban cultural attractions such as the Apollo Theater in Harlem, local communities can enjoy increased jobs and tourism dollars.

Extending President Clinton's plan for a National Service program to detail young people to work on these types of projects could provide immediate results. Additionally, it may be advantageous to offer visibility to communities that undertake these efforts.

■

The Potential

Travel & Tourism fuels an economic chain reaction. We saw its impact expressed negatively when the Gulf War inhibited travel and economic shock waves reverberated through economies around the world.

Simply, when travel declines the impact is felt far beyond the obvious constituencies of airlines, hotels, rental cars, and travel agents and reaches restauranteurs, shopkeepers, taxi drivers, etc. When travel grows, there is a massive 2.5 multiplier that reaches critical industries including telecommunications, construction, and financial services.

On a global basis, we know travel and tourism will grow faster than any other industry and faster than the worldwide economy.

Our challenge is to both grow the global market while capturing an increasing share nationally. Through a private/public partnership, we can work together to help Americans experience job growth and diverse economic development through an environmentally-friendly industry.

We look forward to working with the Clinton Administration to achieve our mutual goals.

INTERNATIONAL TOURISM TO THE U.S.
1992 RESULTS

ARRIVALS FROM OTHER COUNTRIES	44.5 MILLION
U.S. INT'L. VISITOR RECEIPTS	$71.2 BILLION
INT'L. TRAVEL ACCOUNT SURPLUS	$20.4 BILLION
U.S. JOBS SUPPORTED	1 MILLION
U.S. PAYROLL SUPPORTED	$14 BILLION
U.S. TAX REVENUES GENERATED	$7.2 BILLION
FEDERAL TAXES GENERATED	$3.7 BILLION
STATE & LOCAL TAXES GENERATED	$3.5 BILLION

SOURCES: Bureau of Economic Analysis and U.S. Travel and Tourism Administration, U.S. Department of Commerce

TOTAL BUDGETS OF NATIONAL TOURISM OFFICES

Among the nations of the world, the U.S. ranks 23rd in terms of funding for its national tourism office. Many countries have recognized that tourism offers tremendous potential for increasing foreign exchange earnings and supporting economic development and stability within their nations.

An example of this is the success experienced by Australia in the not too distant past inviting Americans to discover its tourism treasures. Obviously, tourism promotion has paid off in a big way for that nation.

TOTAL BUDGETS OF NATIONAL TOURISM OFFICES

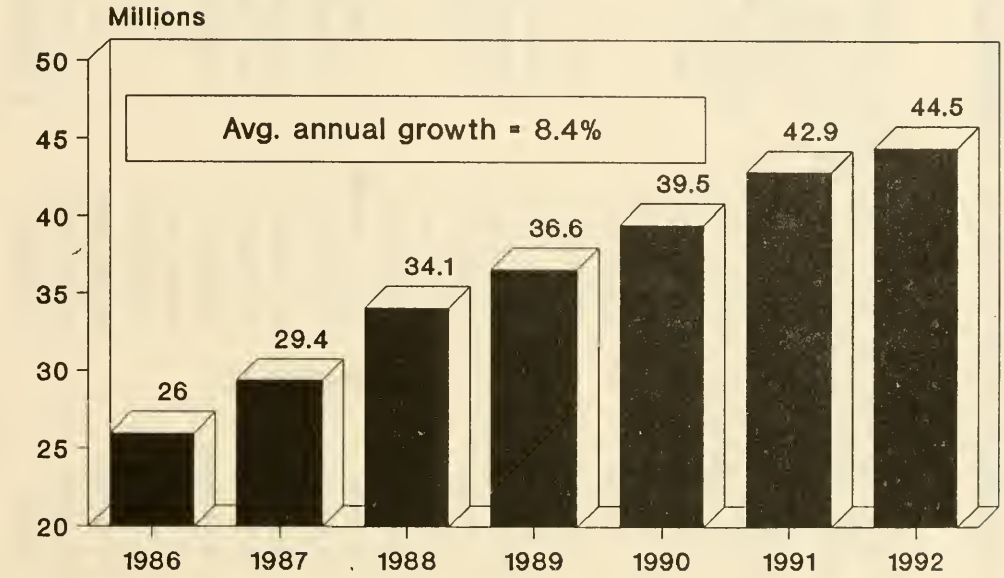
	1992	1993
1. Spain	$139,466,000	n.a.
2. Greece	$134,086,000	$173,067,000
3. France	$85,602,000	84,080,000
4. United Kingdom	$79,521,000	n.a.
5. S. Korea	$76,906,000	$90,128,000
6. Mexico	$73,765,000	n.a.
7. Turkey	$68,011,000	n.a.
8. Australia	$62,803,000	$66,142,000
9. Italy	$50,897,000	$56,231,000
10. Austria	$45,316,000	$50,486,000
11. Poland	$45,042,000	$50,582,000
12. Netherlands	$42,990,000	n.a.
13. Malaysia	$38,943,000	n.a.
14. Brazil	$37,142,000	$17,535,000
15. Ireland	$36,669,000	$40,491,000
16. Germany	$31,606,000	$35,845,000
17. Portugal	$30,756,000	$43,198,000
18. Bermuda	$28,763,000	$28,700,000
19. Japan	$24,681,000	n.a.
20. Hong Kong	$22,406,000	n.a.
21. Canada	$20,907,000	n.a.
22. Cyprus	$20,325,000	$23,850,000
23. USA	$17,480,000*	$19,208,000**

SOURCES: World Tourism Organization and U. S. Travel and Tourism Administration

* Includes $2 million supplemental funding for Disaster Relief Financial Assistance Program

** Includes $3.6 million supplemental funding for Disaster Relief Financial Assistance Program

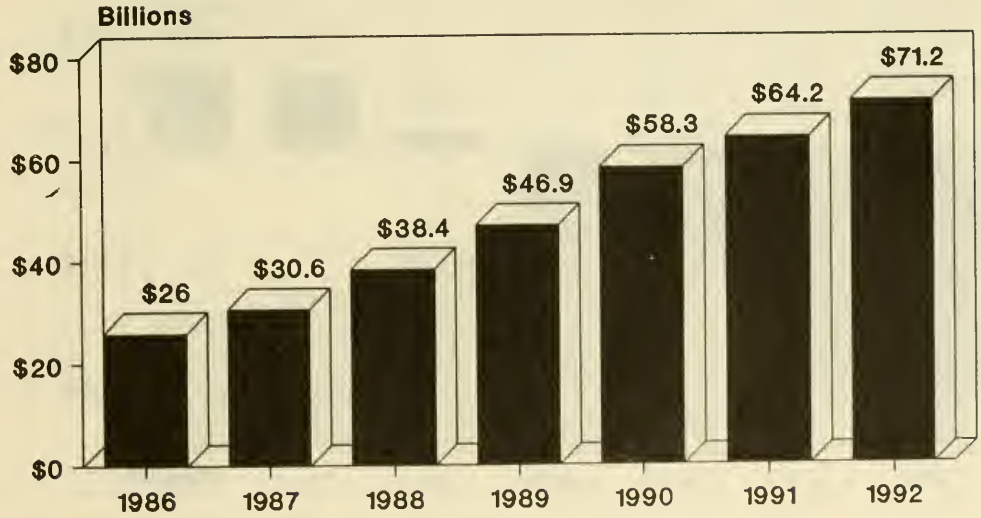
International Arrivals to the U.S.
1986 - 1992



Source: USTTA, INS
July 1993

EXHIBIT 1

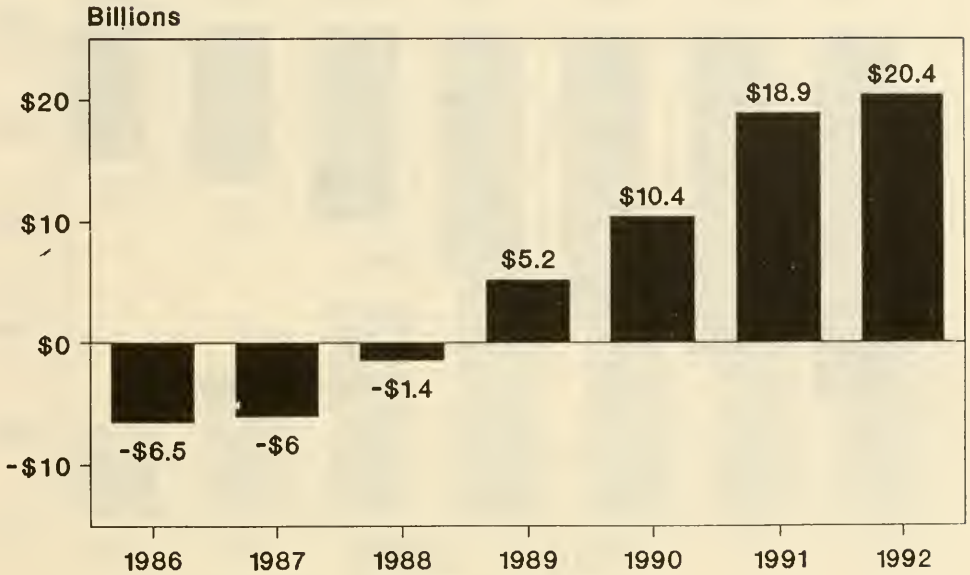
U.S. Receipts: International Visitors
(Including Passenger Fares)
1986 - 1992



Source: USTTA, BEA
July 1993

EXHIBIT 2

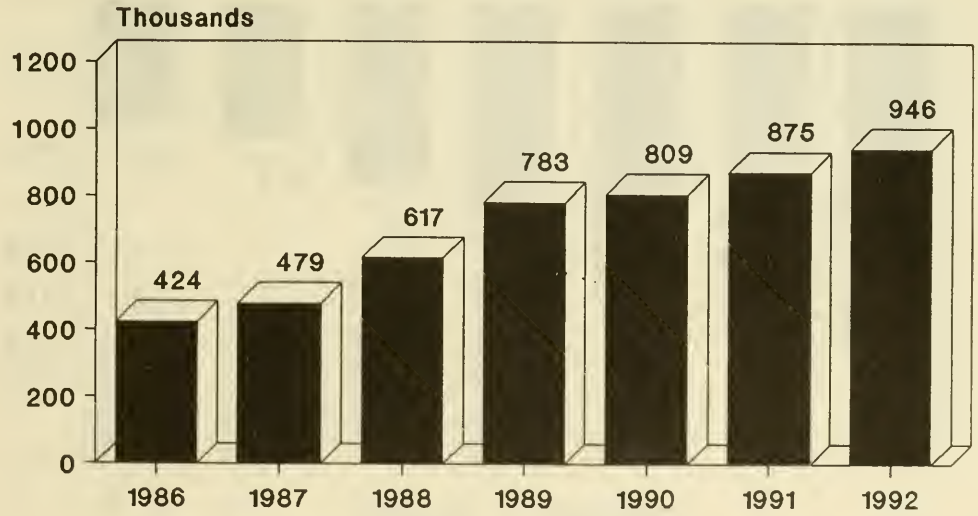
U.S. Travel Trade Balance
1986 - 1992



Source: USTTA, BEA
July 1993

EXHIBIT 3

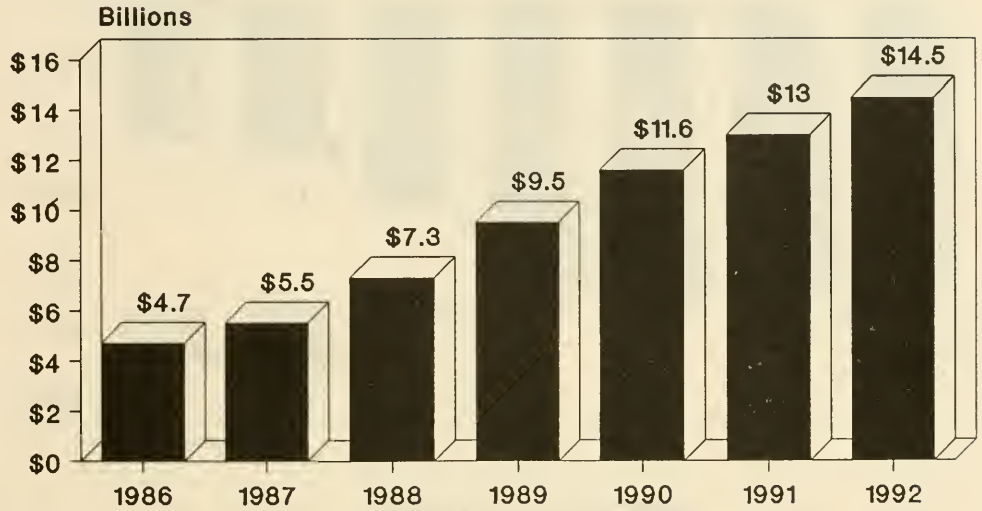
U.S. Jobs Created as a Result of Spending by International Visitors 1986 - 1992e



Source: USTTA, USTDC
July 1993
Data for 1990-1992 are estimates

EXHIBIT 4

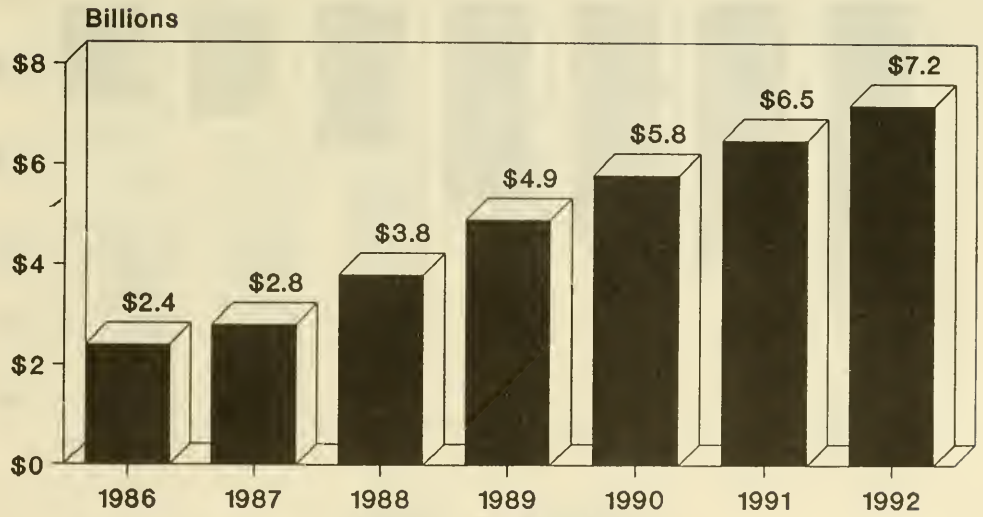
U.S. Payroll Income Generated by International Visitor Spending 1986 - 1992e



Source: USTTA, USTDC
July 1993
Data for 1990-1992 are estimates

EXHIBIT 5

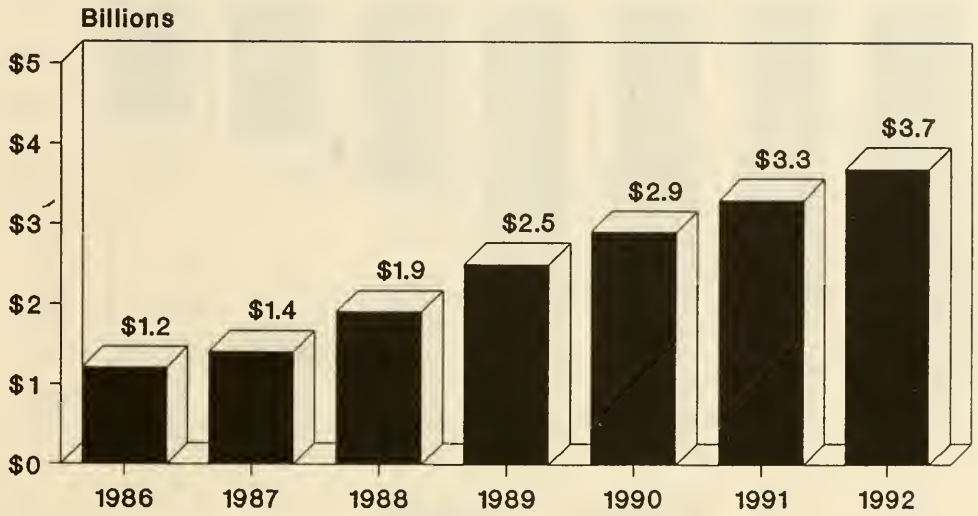
Total U.S. Tax Revenue Generated by International Visitor Spending 1986 - 1992e



Source: USTTA, USTDC
July 1993
Data for 1990-1992 are estimates

EXHIBIT 6

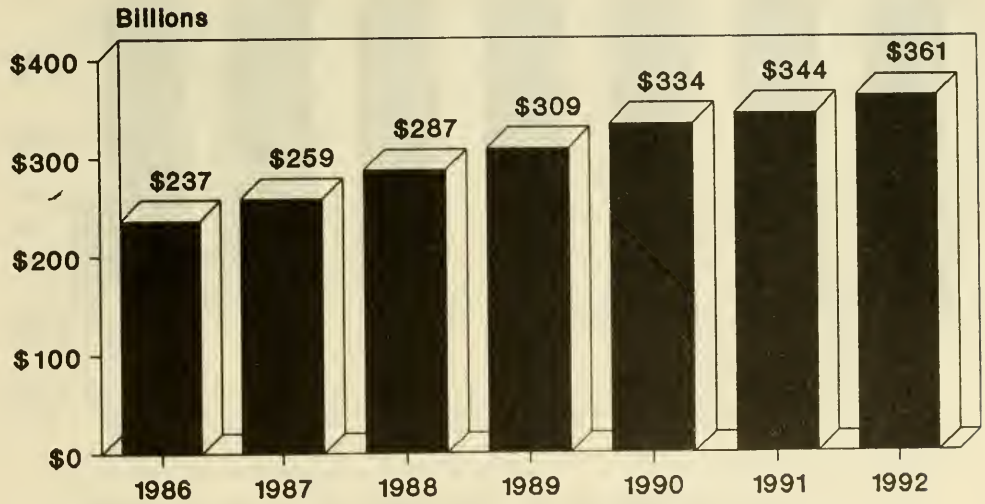
U.S. Federal Tax Revenue Generated by International Visitor Spending 1986 - 1992e



Source: USTTA, USTDC
July 1993
Data for 1990-1992 are estimates

EXHIBIT 6B

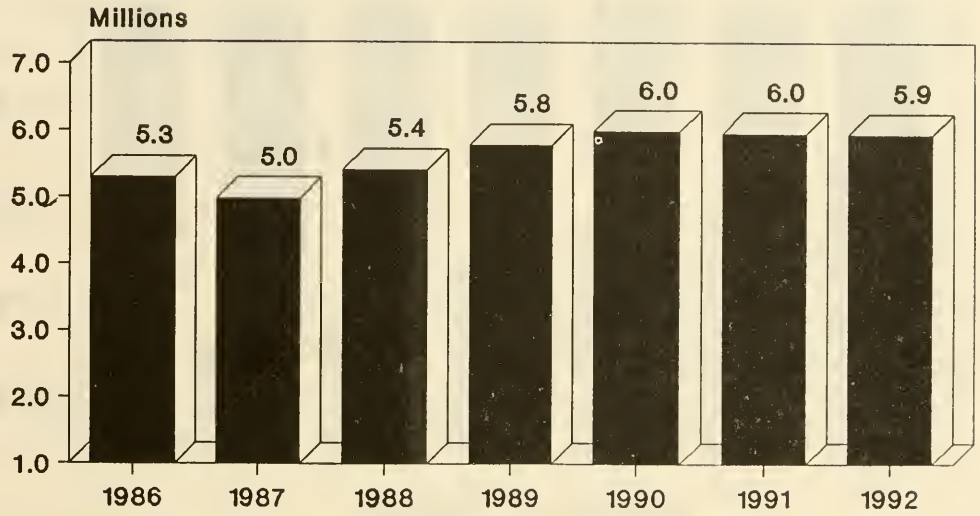
U.S. Receipts: Tourism Spending
(International and Domestic Visitors)
1986 - 1992e



Source: USTTA, USTDC
July 1993
Data for 1990-1992 are estimates

EXHIBIT 7

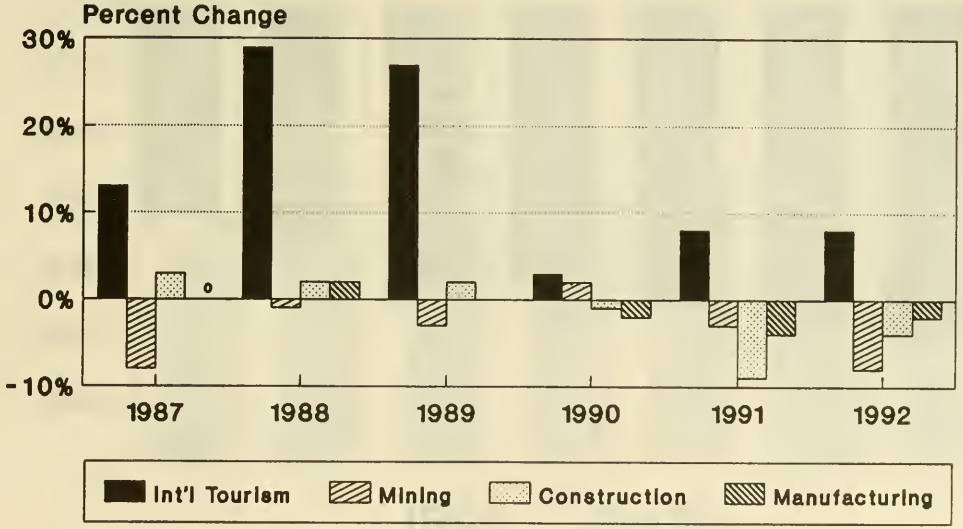
U.S. Jobs Created as a Result of Total Tourism Spending 1986 - 1992e



Source: USTTA, USTDC
July 1993
Data for 1990-1992 are estimates

EXHIBIT 8

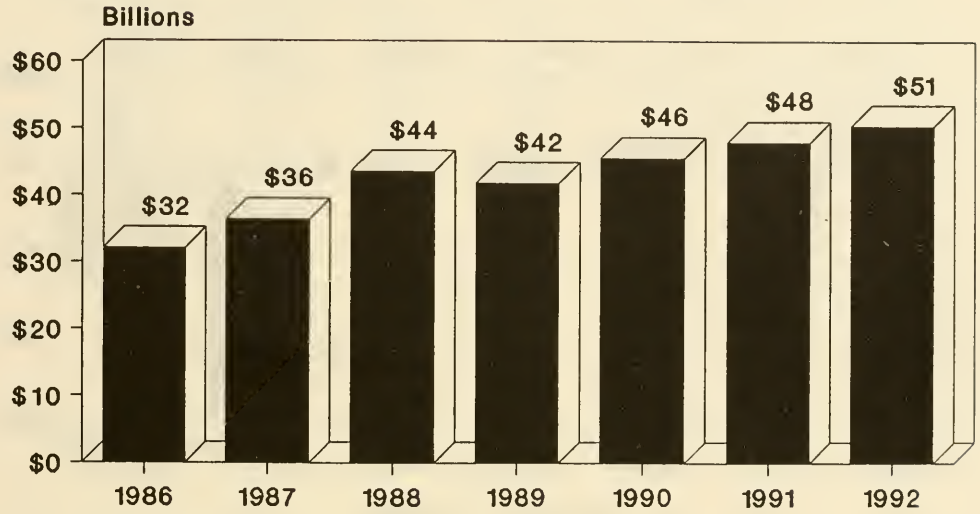
Employment Generated by International Tourism Outpaces Other Industries
1987 - 1992



Source: DOL, USDA, USTTA
July 1993

EXHIBIT #9

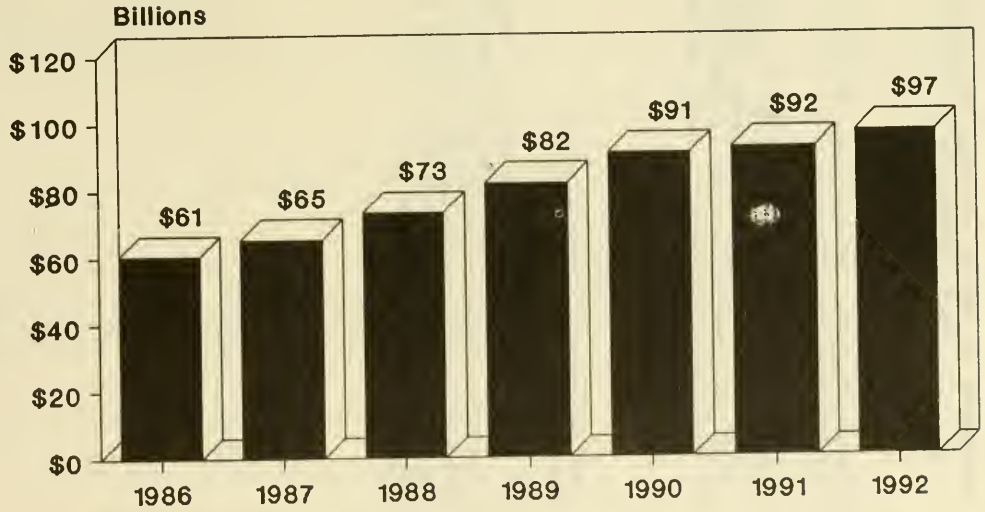
U.S. Tax Revenue Generated by Total Tourism Spending 1986 - 1992e



Source: USTTA, USTDC
July 1993
Data for 1990-1992 are estimates

EXHIBIT #10

U.S. Payroll Income Generated by Total Tourism Spending 1986 - 1992e



Source: USTTA, USTDC
July 1993
Data for 1990-1992 are estimates

EXHIBIT ~~10~~ 11

OVERALL IMPORTANCE OF TOURISM TO OTHER COUNTRIES' ECONOMIES
U.S. COMPARISON

Exhibit 12

World's Top Tourism Earners, International Tourism Receipts
(excluding international fare payments)

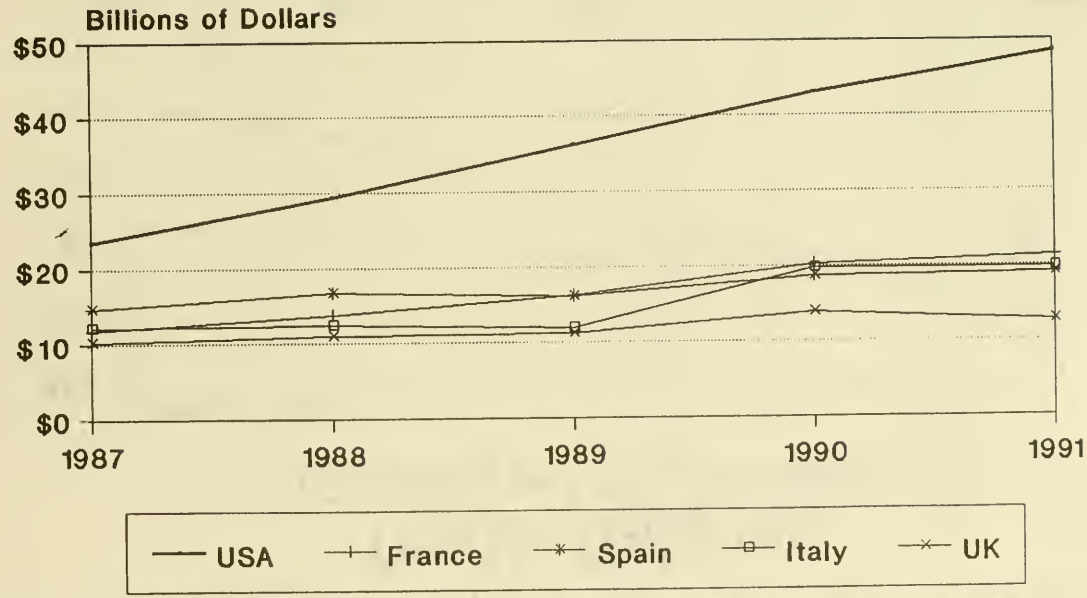
U.S. is the worlds number one tourism earner for international tourism receipts, at $4.8 Billion (excluding international fare payments). U.S. earnings in tourism reciepts continues to spread the gap. In 1991 U.S. tourism receipts (excluding international fare payments) were more than duble the next top erner, France.

Exhibit 13

World's Top Tourism Earners, Trade Balance
(excluding international fare payments)

U.S. continues to increase the U.S. surplus in tourism expenditures. This is the receipts garnered from international vistitors to the U.S. versus the expenditures of U.S. travelers abroad. Of the world's top tourism earners the U.S. has shown the greatest growth in surplus for 1987-1991. The U.S. has gone from a $5.8 billion tourism trade deficit in 1987 to a surplus of over $13 billion.

World's Top Tourism Earners
International Tourism Receipts
(Excluding Int'l Fare Receipts)

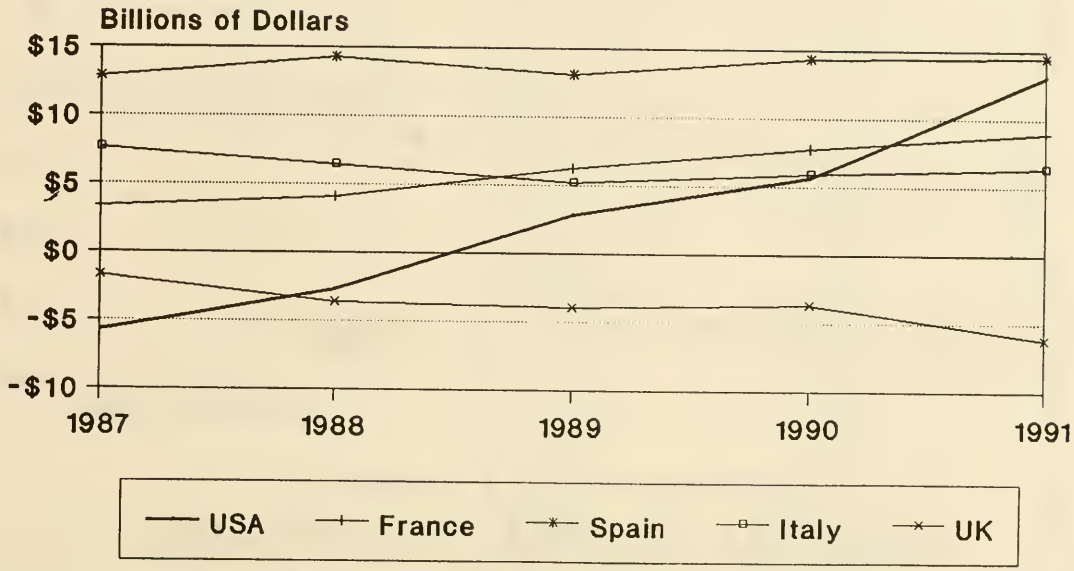


Source: World Tourism Organization
July 1993

EXHIBIT 12

World's Top Tourism Earners Trade Balance

(Excluding Int'l Fare Receipts)



Source: World Tourism Organization
July 1993

EXHIBIT # 13

EXHIBIT 14

Competition for International Travelers, Nearly 50% Selected U.S. as Destination for Most Recent Pleasure Trip

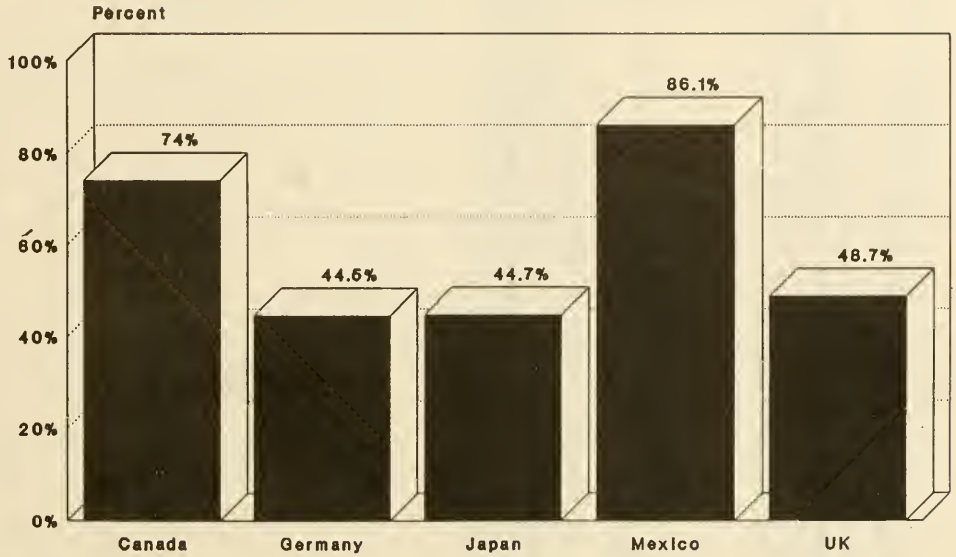
Among USTTA's top five tourism generating markets, 86 percent of Mexican pleasure travels selected the United States as their destination on their most recent pleasure trip. Nearly three-quarters of the Canadian pleasure travel market visited the United States on their most recent trip.

EXHIBIT 15

Competition for International Travelers, Nearly 25% Would Select the U.S. as Number 1 Pleasure Destination

Across all five major tourism generating markets, approximately 25 percent of long-haul pleasure travelers would select the United States as their number one destination above all others. What this means is that, for example, 32 percent of all Canadian travelers would choose to visit the United States over any other destination country in the world.

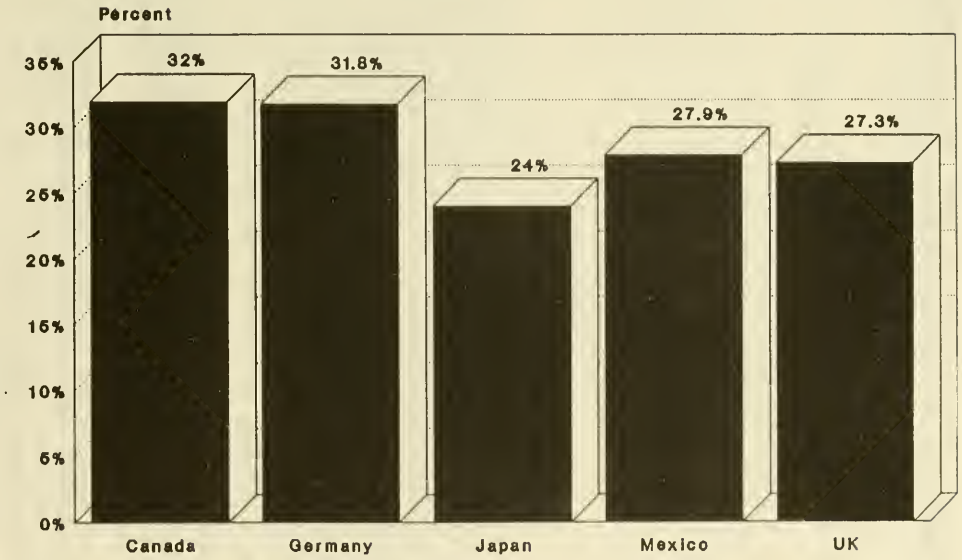
Competition for International Travelers Nearly 50% Selected U.S. as Destination for Most Recent Pleasure Trip



Source: USTTA Pleasure Travel Markets
July 1993

EXHIBIT 14

Competition for International Travelers Nearly 25% Would Select the U.S. as Number One Pleasure Destination



Source: USTTA Pleasure Travel Markets
July 1993

EXHIBIT 15

BEFORE THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
SUBCOMMITTEES ON AVIATION AND SURFACE TRANSPORTATION
U.S. HOUSE OF REPRESENTATIVES

hearings on

H. CON. RES. 110
"White House Conference on Tourism"
August 4, 1993

Statement for the Record

William E. Dougherty
Chief Executive Officer

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6147 Tompkins Drive
McLean, Virginia 22101
(703) 821-2725

Mr. Chairman and Members: you are to be congratulated for convening these hearings on an important and timely subject. The Panels you have assembled reveal a keen appreciation of the breadth of topics encompassed by tourism, and the distinguished panelists appearing here demonstrate the diverse public interests associated with it. With these hearings and your leadership, one can hopefully anticipate a positive and rapid response in the form of a top-level White House Conference on Tourism.

A White House Conference would coalesce thinking and elevate recognition about tourism. Neither the public nor the Federal Government seem to think holistically about tourism; always recognizing the trees while never seeing the forest.

For example, everyone recognizes the individual elements, many of which are represented on today's Panels, and you have heard of the real economic and employment value created in each sector. To the tourist they are not separate but a seamless continuum in the travel experience.

The same applies for the Government. Our Government devotes substantial efforts and resources to tourism and tourism-related activities, but this is all scattered among diverse Agency budgets and programs without any central organizing principle.

Mr. Chairman, the proposed White House Conference on Tourism should begin to address these problems, and at the very least create a baseline for discussion by producing two important benchmarks: (1) a definitive calculation of the aggregate value of tourism to the economy, and (2) a comprehensive inventory of Federal programs and budgets affecting tourism.

But, Mr. Chairman, the real issue is one of policy. If nothing else, a White House Conference should analyze, formulate and implement a new Federal policy with respect to tourism.

Over 30 years ago, President John F. Kennedy recognized the importance of tourism to our balance of payments and created the United States Travel Service. Other Federal initiatives have an indirect relationship to tourism.

One important objective of a White House Conference should be to enumerate and document these activities. For instance, from the perspective of a traveller contemplating a vacation to enjoy the natural attractions of this great country, it makes no difference that visiting Yellowstone National Park reflects the vision of President Theodore Roosevelt in 1872, while visiting the Monterey Bay National Marine Sanctuary reflects an Act of 1972, or that different Cabinet agencies are involved in each. But Government should recognize it and its relation to tourism.

Another curious phenomenon should be addressed. That is the reluctance to accord commmercial and economic recognition to an activity which is volitional, recreational and enjoyable. One hopes that these hearings and the proposed Conference will add to the documentation of the economic value of tourism to the Nation.

Indeed, a myopia prevails. For example, the guru of "reinventing government", David Osborne, has written, disparagingly, that.."The Commerce Department promotes travel and tourism...", while he simultaneously advocates "Catalytic Government" that can leverage the efforts of the private sector in the marketplace. Yet, if any agency and program exemplifies Osborne's entreprenurial governance, it would be the United States Travel and Tourism Administration. Let us see why.

This year, foreign tourism to the U.S. is expected to amount to nearly 50 million international visitors and they will spend an estimated $80 billion. The Secretary of Commerce, Ronald H. Brown, has been quoted as saying: "International travel to the United States is one of our largest exports. It ranks ahead of agricultural goods, chemicals and motor vehicles. It is our largest business service export." That means foreign exchange earnings, economic development, and jobs for Americans.

But does that necessarily mean any role for Government?

Writing in The Competitive Advantage of Nations, Michael E. Porter notes that: "Government plays a prominent role in international competition...Government policy does affect national advantage."

In the book Mandate for Change, recommendations for strategic success in the global economy include a streamlined Department of Trade and Technology which: "should have responsibility, in all goods and services sectors, for

negotiating and implementing trade agreements, for operational and analytical support, for technology policy, for export financing, for many import and export controls, and for liaison to industry."

Finally, in The Work of Nations, Robert B. Reich talks about: "The National Idea...There will no longer be national economies...all that will remain rooted within national borders are the people who comprise a nation." By implication, this should include the peoples' history, culture and environment.

What are we to make of all this? I submit that it identifies an American comparative advantage in cultural, historical, and ecological tourism opportunities, and also mandates a Federal Government role in supporting tourism.

Mr. Chairman, I would like to turn now to another of the panel topics: Travel and Infrastructure. During the campaign, Bill Clinton's book Putting People First contained a committment to: "Invest in transportation systems: renovate our country's roads, bridges, and railroads; create a high-speed rail network..."

All this is certainly very worthy, but something is missing: aviation. As the Subcommittee on Aviation is aware, the new Administration was quickly confronted with this ommission with the creation of the National Commission to Ensure a Strong Competitive Airline Industry.

At this writing the Commission is preparing its final report, yet I will venture to be critical. The Commission simply had too narrow a scope and operated too hastily to produce a substantive result. By not addressing the structure of the airline industry nor debating Federal policy we are assured that these subjects will be back to haunt us again in the future.

Mr. Chairman, It is clear that there is much to be considered in a Conference on Tourism. The Committee and Subcomittees deserve credit for taking the critical initial steps to establish such a Conference. The industry has provided its views and support at these hearings. The time is ripe.

Let us now call upon all concerned to move quickly and decisively to actually conduct a White House Conference.

U.S. Aviation Support is involved in consulting on all aspects of aviation operations and policy. Mr. Dougherty has extensive experience in federal and military aviation, civil aeronautics, and in academia relating to both aviation and public policy.

Testimony Submitted by the

National Rural Tourism Development Foundation

regarding the proposed

White House Conference on Tourism

My name is Dr. Patrick Long and I serve as Chairman of the newly formed National Rural Tourism Development Foundation (NRTDF), authorized by an act of Congress in 1992 (Public Law 102-372). On behalf of the Board of Directors of the Foundation I submit the following testimony in support of the proposed White House Conference on Tourism. Our testimony is based on the following premises:

1. *Tourism is a multi-faceted industry.*
   In its broadest sense, tourism may be described as being *the sum of the phenomena and relationships arising from the interaction of tourists (or travelers or visitors), business suppliers, host governments, and host communities in the process of attracting and hosting the traveling public.*

   Tourism in the United States as well as throughout the world, is a major industry. Unlike traditional industries such as manufacturing, agriculture, ranching, mining, and forestry, however, tourism is not easily distinguished as a public or private enterprise. In almost every circumstance, tourism is highly dependent upon a mutual partnership between the public and private sector.

   The public sector involvement is most often associated with tourism resources and infrastructure. Natural, cultural, historical, scientific, and, in some cases, man-made entertainment resources (often public goods), along with the potential recreational and educational activities afforded by them, provide a vital "base of attraction" for the tourism industry. Without these resources, which are often publicly owned and/or managed, tourism, as we know it today, simply would not exist. Basic infrastructure, such as transportation networks and utilities that generally require public investment, are another critical component of the tourism industry. Private-sector involvement is most closely tied to the multitude of business firms and organizations that supply an

enormous array of services to meet the needs and wants of tourists seeking recreation, education, or business through travel.

If tourism is to remain a viable industry, this linkage between public goods and private interests, and the multi-faceted nature of the tourism industry, must be recognized. We believe that in order to continue to benefit from existing levels of tourism and promote further development, representatives from the private sector and all levels of government must take a proactive role in assuring the longevity of tourism. This is particularly true in our rural areas where a region's natural, culture, historic, or scientific resources are the main attraction.

2. *Tourism is an industry of extreme importance to our nation's economy.*

The facts and figures pertaining to the direct and indirect economic impact of tourism are widely known. With the exception of the health care industry, tourism's export revenues, tax revenues, number of jobs created, and number and variety of secondary industries supported are greater and unsurpassed. Although jobs created as a result of tourism are often characterized as "low" paying, semi- or "un-skilled" service positions; we firmly believe that this description is far from true. It takes thousands of employees on all management levels to move travelers from one destination to another and to provide adequately for their needs. Work opportunities in the tourism industry range from CEO's of major corporations such as United Airlines and the Marriot Corporation, to the front line personnel at a hotel or campground.

3. *Tourism is an industry of significant importance to rural America.*

The NRTDF believes there is great potential for the tourism industry to address some of the current needs and concerns of America's smaller communities and rural regions. In addition to the economic significance of tourism, the Foundation believes that tourism can play an expanded role in protecting and preserving our nation's fragile cultural, historical, social, and natural resources for the benefit and enjoyment of present-day and future generations. This is particularly true for our country's rural regions. As traditional industries continue their decline and this nation turns a significant amount of energy towards its rapidly expanding service economy, tourism emerges as one of a number of economic development strategies to diversify and revitalize a rural economy.

The magnitude of needs and challenges of residents in rural areas is no less than those who choose to live in our cities. Although there are many individuals and organizations who recognize the potential role tourism can play in addressing some of rural America's survival issues, tourism's potential as a revitalization and diversification mechanism has yet to be fully tapped. There is great need to educate local governments, private industry, and the general public about the tourism industry as a whole; to more fully recognize tourism as the major contributor it is at all levels of our nation's economy; and to coordinate the efforts of all who should be involved with tourism development in rural America.

We believe that immediate action is needed to ensure that tourism development in rural areas is sustainable and contributes, in a positive way, to the economy and general quality of life in rural communities. Furthermore, every effort must be made to recognize, understand, and then encourage appropriate action to mitigate any negative social, cultural, environmental, and economic impacts associated with tourism. If tourism is not adequately planned and managed, there is a great deal that can be lost.

Chairman Oberstar, the board of directors of the National Rural Tourism Development Foundation urge you and your committee to carefully and fully pursue an understanding of the value of tourism to our nation by sponsoring the proposed White House Conference. Tourism is a global industry, and as other countries continue to develop, the competition for our market share of domestic and foreign visitors will only become greater. Tourism is not *the* answer for every state, region, or community; but, for many thousands of individuals, small businesses, and major corporations, tourism is a lifeline. A White House Conference on Tourism would play a major role in helping government and industry leaders better understand the myriad of benefits and costs associated with the development of tourism, and encourage the public and private partnerships necessary to ensure that tourism continues to rank as one of this country's largest industries.

STATEMENT IN SUPPORT OF A WHITE HOUSE CONFERENCE ON TOURISM

From Jack Vaughn
General Manager, Opryland Hotel
Vice President, Gaylord Entertainment Company
Nashville, Tennessee
August 3, 1993

America's travel and tourism industry is a vital component of the nation's economy. Despite its importance, however, it often is misunderstood, and it definitely is underappreciated.

For those fundamental reasons, I support the concept of convening a White House Conference on Tourism.

A spotlight needs to be focused on travel and tourism so it can be illuminated for all levels of society and for all jurisdictions of government. The travel and tourism industry is a surprisingly complex segment of the economy. It is affected by many influences, ranging from the weather and the fads of pop culture to fuel availability and cost, taxes, transportation infrastructure and the general business climate.

We as a nation are looking to the 21st century, and travel and tourism are an incredibly important aspect of our evolving economy. I am sure others have pointed out that tourism is America's top export, that it is a major creator of jobs, that it binds

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communities together, that it can be an economic catalyst for rural areas and that it already employs (directly or indirectly) one of every 13 American workers.

An industry of this magnitude and importance warrants the attention that a White House Conference on Tourism would bring.

As an illustration, let me use an aspect of the travel and tourism industry that is very close to my heart. Of course, I am talking about the Opryland Hotel, the rest of the Opryland USA entertainment resort and the entirety of Gaylord Entertainment Company . . . my travel and tourism employer since 1975.

Under the Gaylord Entertainment umbrella are businesses such as the Grand Ole Opry, the Opryland theme park and the General Jackson showboat, as well as the Opryland Hotel.

Right now, Gaylord Entertainment Company employs almost 9,000 people in a vast array of jobs. Most of them are directly in the travel and tourism industry. Many are seasonal in nature, and I swell with pride when I think how many people have had their first real jobs with my company, how many college educations my company has subsidized and how many automobile purchases my company has underwritten.

Less than 25 years ago, the company's only tourism component was the Grand Ole Opry, which employed only a handful of people and which was being performed in a rapidly deteriorating auditorium.

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In the intervening years, we have invested dramatically in tourism to develop:

* The Opryland theme park that attracts two million guests a year.

* The 1,891-room Opryland Hotel that is one of the busiest properties in the nation.

* The 4,400-seat Grand Ole Opry House.

* The 1,200-passenger General Jackson showboat.

* Studio facilities for TNN: The Nashville Network that attract guests from around the world to watch television shows in production.

We have devoted many millions of dollars to nurturing the travel and tourism industry in Nashville, and we continue to be aggressive.

Over the next three years, we have earmarked almost a quarter of a billion dollars in capital projects to enhance our tourism product even more. Some of these projects merit citing now:

* $7.5 million to restore the historic Ryman Auditorium.

* $8 million to develop a country music dance club.

* $3 million to create a water taxi service on the Cumberland River.

* And $175 million to expand the Opryland Hotel to 2,870 rooms. This project, by the way, is the largest construction undertaking in the history of Nashville.

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Why am I citing all of these particulars in this statement? I am doing so to make that point that tourism is a big and serious business with big and serious investments and big and serious concerns about how the industry is understood.

My company--and other companies both large and small--have faith in the travel and tourism industry. This is despite the relative lack of understanding of the industry that is held by government and the general public.

A White House Conference on Tourism would go a very long way toward fostering a deeper understanding of this important industry. I urge everyone involved with promoting the idea of the conference not to rest until the concept is approved.

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